

Digitized by the Internet Archive
in 2022 with funding from
University of Toronto

24N
B56

Public

BILL 1

16

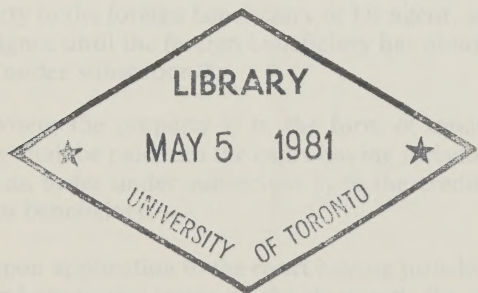
Government Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

LEGISLATIVE ASSEMBLY

An Act to amend The Devolution of Estates Act

THE HON. R. MCMURTRY
Attorney General



EXPLANATORY NOTE

The new provision requires a court order before money can be paid out of an estate in Ontario to a beneficiary in one of certain countries to be designated by regulations. The purpose is to assess whether the property will be unduly depleted before it is received by the beneficiary.



BILL 1

1981

An Act to amend The Devolution of Estates Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. *The Devolution of Estates Act*, being chapter 129 of the Revised Statutes of Ontario, 1970, is amended by adding thereto the following section: s. 24a,
enacted

24a.—(1) In this section, “foreign beneficiary” means a beneficiary who is resident in a country designated by regulation made under this section. Interpre-
tation

(2) Where a foreign beneficiary is entitled under a will, an intestacy or an order under Part V of *The Succession Law Reform Act*, 1977 to personal property from the estate of a person who was domiciled in Ontario at the time of his death, No distri-
bution to
foreign
beneficiary
without
order
1977, c. 40

(a) and where the property is in a form other than money and has a value of more than \$5,000, the personal representative of the deceased shall not distribute the property to the foreign beneficiary or his agent, solicitor or assignee until the foreign beneficiary has obtained an order under subsection 3;

(b) and where the property is in the form of money, the money shall be paid into the court having jurisdiction to make an order under subsection 3, to the credit of the foreign beneficiary.

(3) Where, upon application to the court having jurisdiction to grant letters probate in the estate of the deceased, the court is satisfied that, Order
authorizing
distribution

(a) the foreign beneficiary is entitled to personal property from the estate; and

(b) that the property will not be unduly depleted before it is received by the beneficiary,

the court may by order authorize the distribution of the personal property by a personal representative to the foreign beneficiary and payment out of court to the foreign beneficiary of money paid into court to the credit of the foreign beneficiary.

Release of
property
to other
person
entitled

(4) Where, upon an application under subsection 2, the court is satisfied that a person other than a foreign beneficiary is entitled to the personal property, the court may by order direct its distribution to the person entitled.

Property
of foreign
beneficiary
held for
his benefit

(5) Where, upon an application under subsection 2, the court is satisfied that a foreign beneficiary is entitled to personal property from the estate but declines to make the order for the reason that the property will be unduly depleted before it is received by the foreign beneficiary, the property, if money, shall be held in court for the benefit of the beneficiary and, if personal property other than money, shall be held by the personal representative in trust for the benefit of the foreign beneficiary and the money shall not be paid out or property distributed except under an order under subsection 3 or 4.

Report of
agent or
assignee

(6) Every person who receives property in respect of which an order has been made under subsection 3 as agent or solicitor for, or assignee of, a foreign beneficiary shall, within two months after receiving the property, file a report with the Surrogate Clerk for Ontario in such form and containing such information respecting the property as is prescribed by the regulations made under this section.

Report of
personal
representa-
tive

(7) Every personal representative who transfers property directly to a foreign beneficiary shall make and file the report provided for in subsection 6 within two months after the transfer is made.

Penalty

(8) Every person who contravenes subsection 2, 6 or 7 is guilty of an offence and on conviction is liable to a fine of not more than \$2,000.

Idem

(9) Every person who knowingly furnishes false information in a report filed under subsection 6 or 7 is guilty of an offence and on conviction is liable to a fine of not more than \$5,000.

Regulations

(10) The Lieutenant Governor in Council may make regulations,

(a) designating countries for the purposes of subsection 1;

(b) prescribing the information that shall be contained in reports under subsections 6 and 7 and prescribing their form.

2. This Act does not apply in respect of the estates of deceased persons who died before this Act comes into force. Application
of Act
3. This Act comes into force on the day it receives Royal Assent. Commence-
ment
4. The short title of this Act is *The Devolution of Estates Amendment Act, 1981*. Short title

Bill 1

An Act to amend
The Devolution of Estates Act

1st Reading

April 21st, 1981

2nd Reading

3rd Reading

THE HON. R. MCMURTRY
Attorney General

(Government Bill)

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

**An Act to amend The Toronto Area Transit
Operating Authority Act, 1974**

THE HON. J. W. SNOW
Minister of Transportation and Communications



EXPLANATORY NOTES

SECTION 1. Currently, the chairman of the Authority is appointed by the Lieutenant Governor in Council for a five-year term. The term is being reduced to three years subject to the incumbent serving out his full five-year term.

Certain provisions of *The Public Vehicles Act* regulating the leasing of buses do not apply in respect of a bus leased to or from the Authority.

SECTION 2. The objects of the Authority are being expanded and clarified. Section 6 (b) currently reads as follows:

- (b) *to co-ordinate the operations of surface and subsurface inter-regional transit systems and surface and subsurface regional transit systems and to operate, within the area of jurisdiction of the Authority on routes where the Authority operates an inter-regional transit service, transit services within a regional area at the request of and under an agreement with the council of the regional area or the council of an area municipality within the regional area.*

The proposed change to section 6 (c) is complementary to the new section 6 (b).

BILL 2

1981

**An Act to amend
The Toronto Area Transit Operating
Authority Act, 1974**

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

- 1.—(1) Subsection 3 of section 2 of *The Toronto Area Transit Operating Authority Act, 1974*, being chapter 69, is amended by striking out “five” in the second line and inserting in lieu thereof “three”. s. 2 (3),
amended

- (2) The said section 2 is further amended by adding thereto the following subsection: s. 2,
amended

(10) Sections 2a and 9b of *The Public Vehicles Act* do not apply to the Authority or to the holder of an operating licence issued under that Act who leases a bus to or from the Authority. Where
R.S.O. 1970,
c. 392
does not apply

- (3) Notwithstanding subsection 1, the member appointed by the Lieutenant Governor in Council holding office on the day this Act comes into force remains in office until his term of five years expires. Present
chairman

- 2.—(1) Clause b of section 6 of the said Act, as amended by the Statutes of Ontario, 1977, chapter 39, section 4, is repealed and the following substituted therefor: s. 6 (b),
re-enacted

(b) to facilitate the operational integration of surface and subsurface inter-regional transit systems and surface and subsurface regional transit systems, and to operate, within the area of jurisdiction of the Authority on routes where the Authority operates an inter-regional transit service, transit services within a regional area at the request of and under an agreement with the council of the regional area or the council of an area municipality within the regional area.

s. 6 (c),
amended

- (2) Clause *c* of the said section 6 is amended by striking out “co-ordinating” in the second line and inserting in lieu thereof “operational integration”.

s. 7 (1) (e),
amended

- 3.—**(1) Clause *e* of subsection 1 of section 7 of the said Act is amended by striking out “the integration or co-ordination or both” in the first line and inserting in lieu thereof “the operational integration”.

s. 7 (2) (d) (i),
amended

- (2) Subclause *i* of clause *d* of subsection 2 of the said section 7, as re-enacted by the Statutes of Ontario, 1977, chapter 39, section 5, is amended by inserting after “with” in the second line “or without”.

ss. 7a, 7b,
enacted

- 4.** The said Act is amended by adding thereto the following sections:

Agreements
with
Minister

7a.—(1) The Minister and the Authority may, subject to the approval of the Lieutenant Governor in Council, enter into an agreement that the Authority shall establish, acquire, construct, operate and maintain a transit system that is not within or limited to its area of jurisdiction.

Powers

(2) The powers of the Authority under subsection 2 of section 7 shall extend to activities carried out by the Authority under an agreement entered into under subsection 1, and, for purposes of carrying out the terms of the agreement, shall not be limited to inter-regional transit systems.

Payment
of
expenditures

(3) The Minister may pay all or part of the expenditures, pursuant to an agreement made under subsection 1, to establish, acquire, construct, operate and maintain a transit system and to acquire lands and equipment necessary and incidental thereto.

Use of “GO
Transit”
trademark

7b. The Authority is hereby granted the non-exclusive right to use the trademark “GO Transit” and shall identify all transit vehicles and railway rolling stock, when practical, operated by or on behalf of the Authority by the display of the trademark thereon.

s. 10 (3),
re-enacted

- 5.** Subsection 3 of section 10 of the said Act is repealed and the following substituted therefor:

Motor vehicle
owner and
driver liable
for penalties

(3) The owner of a vehicle may be charged with and convicted of any contravention of a regulation made under subsection 1 prohibiting or regulating vehicular traffic for which the driver of the vehicle is subject to be charged unless, at the time of the contravention, the vehicle was in the possession of some person other than the owner without the owner's consent and on conviction the owner is liable to the penalty prescribed for the offence.

SECTION 3.—Subsection 1. The proposed change is complementary to the new section 6 (b) of the Act.

Subsection 2. Section 7 (2) (d) of the Act currently enables the Authority to enter into agreements to lease out transit vehicles owned by the Authority with drivers. The proposed amendment permits the leasing of vehicles without drivers.

SECTION 4. The provision set out in the proposed section 7a of the Act permits the Minister and the Authority to enter into agreements related to transit systems and enables the Minister to contribute, in whole or in part, toward the cost.

The proposed section 7b of the Act is self-explanatory.

SECTION 5. Section 10 of the Act authorizes the making of regulations and provides for a penalty for contravention of certain regulations.

The proposed amendment clarifies that in respect of parking and traffic offences, the owner of a vehicle may be charged and convicted without the driver of the vehicle being charged. A similar clarification was enacted in *The Highway Traffic Act* in the spring.

6. This Act comes into force on the day it receives Royal Assent. Commence-
ment
7. The short title of this Act is *The Toronto Area Transit Operating Short title
Authority Amendment Act, 1981.*

An Act to amend The Toronto
Area Transit Operating Authority
Act, 1974

1st Reading

April 23rd, 1981

2nd Reading

3rd Reading

THE HON. J. W. SNOW
Minister of Transportation and
Communications

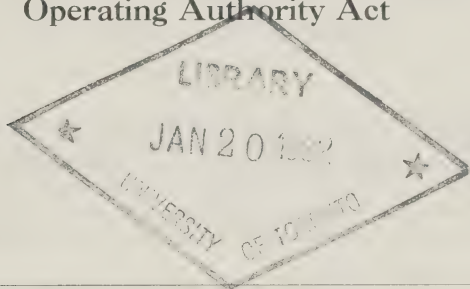
(Government Bill)

BILL 2

Government Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend the Toronto Area Transit
Operating Authority Act



THE HON. J. W. SNOW
Minister of Transportation and Communications

(Reprinted as amended by the Committee of the Whole House)

TORONTO

PRINTED BY ALAN GORDON, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTES

SECTION 1. Currently, the chairman of the Authority is appointed by the Lieutenant Governor in Council for a five-year term. The term is being reduced to three years subject to the incumbent serving out his full five-year term.

Certain provisions of the *Public Vehicles Act* regulating the leasing of buses do not apply in respect of a bus leased to or from the Authority.

SECTION 2. The objects of the Authority are being expanded and clarified. Clause 5 (c) currently reads as follows:

(c) to co-ordinate the operations of surface and subsurface inter-regional transit systems and surface and subsurface regional transit systems and to operate, within the area of jurisdiction of the Authority on routes where the Authority operates an inter-regional transit service, transit services within a regional area at the request of and under an agreement with the council of the regional area or the council of an area municipality within the regional area.

The proposed change to clause 5 (d) is complementary to the new clause 5 (c).

BILL 2

1981

**An Act to amend
the Toronto Area Transit Operating
Authority Act**

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

- 1.—(1) Subsection 2 (3) of the *Toronto Area Transit Operating Authority Act*, being chapter 505 of the Revised Statutes of Ontario, 1980, is amended by striking out “five” in the second line and inserting in lieu thereof “three”. s. 2 (3),
amended
- (2) Section 2 of the said Act is amended by adding thereto the following subsection: s. 2,
amended
- (10) Sections 3 and 12 of the *Public Vehicles Act* do not apply to the Authority or to the holder of an operating licence issued under that Act who leases a bus to or from the Authority. Where
R.S.O. 1980,
c. 425
does not apply
- (3) Notwithstanding subsection (1), the member appointed by the Lieutenant Governor in Council holding office on the day this Act comes into force remains in office until his term of five years expires. Present
chairman
- 2.—(1) Clause 5 (c) of the said Act is repealed and the following substituted therefor: s. 5 (c),
re-enacted
- (c) to facilitate the operational integration of surface and subsurface inter-regional transit systems and surface and subsurface regional transit systems, and to operate, within the area of jurisdiction of the Authority on routes where the Authority operates an inter-regional transit service, transit services within a regional area at the request of and under an agreement with the council of the regional area or the council of an area municipality within the regional area.

SECTION 3.—Subsection 1. The proposed change is complementary to the new clause 5 (c) of the Act.

Subsection 2. Subclause 6 (2) (d) (i) of the Act currently enables the Authority to enter into agreements to lease out transit vehicles owned by the Authority with drivers. The proposed amendment permits the leasing of vehicles without drivers.

SECTION 4. The provision set out in the proposed section 6a of the Act permits the Minister and the Authority to enter into agreements related to transit systems and enables the Minister to contribute, in whole or in part, toward the cost.

SECTION 5. Section 9 of the Act authorizes the making of regulations and provides for a penalty for contravention of certain regulations.

The proposed amendment clarifies that in respect of parking and traffic offences, the owner of a vehicle may be charged and convicted without the driver of the vehicle being charged. A similar clarification was enacted in the *Highway Traffic Act* in the spring.

- s. 5 (d),
amended
- (2) Clause 5 (d) of the said Act is amended by striking out “co-ordinating” in the second line and inserting in lieu thereof “operational integration”.
- s. 6 (1) (e),
amended
- 3.**—(1) Clause 6 (1) (e) of the said Act is amended by striking out “the integration or co-ordination or both” in the first line and inserting in lieu thereof “the operational integration”.
- s. 6 (2) (d) (i),
amended
- (2) Subclause 6 (2) (d) (i) of the said Act is amended by inserting after “with” in the second line “or without”.
- s. 6a,
enacted
- 4.** The said Act is amended by adding thereto the following section:
- 6a.—(1) The Minister and the Authority may, subject to the approval of the Lieutenant Governor in Council, enter into an agreement that the Authority shall establish, acquire, construct, operate and maintain a transit system that is not within or limited to its area of jurisdiction.
- Powers
- (2) The powers of the Authority under subsection 6 (2) shall extend to activities carried out by the Authority under an agreement entered into under subsection (1), and, for purposes of carrying out the terms of the agreement, shall not be limited to inter-regional transit systems.
- Payment
of
expenditures
- (3) The Minister may pay all or part of the expenditures, pursuant to an agreement made under subsection (1), to establish, acquire, construct, operate and maintain a transit system and to acquire lands and equipment necessary and incidental thereto.
- s. 9 (3),
re-enacted
- 5.** Subsection 9 (3) of the said Act is repealed and the following substituted therefor:
- Motor vehicle
owner and
driver liable
for penalties
- (3) The owner of a vehicle may be charged with and convicted of any contravention of a regulation made under subsection (1) prohibiting or regulating vehicular traffic for which the driver of the vehicle is subject to be charged unless, at the time of the contravention, the vehicle was in the possession of some person other than the owner without the owner’s consent and on conviction the owner is liable to the penalty prescribed for the offence.
- Commence-
ment
- 6.** This Act comes into force on the day it receives Royal Assent.
- Short title
- 7.** The short title of this Act is the *Toronto Area Transit Operating Authority Amendment Act, 1981*.

An Act to amend the Toronto
Area Transit Operating Authority Act

1st Reading

April 23rd, 1981

2nd Reading

November 10th, 1981

3rd Reading

THE HON. J. W. SNOW
Minister of Transportation and
Communications

*(Reprinted as amended by the
Committee of the Whole House)*

BILL 2

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

LEGISLATIVE ASSEMBLY

An Act to amend the Toronto Area Transit
Operating Authority Act

THE HON. J. W. SNOW
Minister of Transportation and Communications



BILL 2

1981

An Act to amend the Toronto Area Transit Operating Authority Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

- 1.—(1) Subsection 2 (3) of the *Toronto Area Transit Operating Authority Act*, being chapter 505 of the Revised Statutes of Ontario, 1980, is amended by striking out “five” in the second line and inserting in lieu thereof “three”. s. 2 (3),
amended
- (2) Section 2 of the said Act is amended by adding thereto the following subsection: s. 2,
amended
- (10) Sections 3 and 12 of the *Public Vehicles Act* do not apply to the Authority or to the holder of an operating licence issued under that Act who leases a bus to or from the Authority. Where
R.S.O. 1980,
c. 425
does not apply
- (3) Notwithstanding subsection (1), the member appointed by the Lieutenant Governor in Council holding office on the day this Act comes into force remains in office until his term of five years expires. Present
chairman
- 2.—(1) Clause 5 (c) of the said Act is repealed and the following substituted therefor: s. 5 (c),
re-enacted
- (c) to facilitate the operational integration of surface and subsurface inter-regional transit systems and surface and subsurface regional transit systems, and to operate, within the area of jurisdiction of the Authority on routes where the Authority operates an inter-regional transit service, transit services within a regional area at the request of and under an agreement with the council of the regional area or the council of an area municipality within the regional area.

s. 5 (d),
amended

- (2) Clause 5 (d) of the said Act is amended by striking out “co-ordinating” in the second line and inserting in lieu thereof “operational integration”.

s. 6 (1) (e),
amended

- 3.**—(1) Clause 6 (1) (e) of the said Act is amended by striking out “the integration or co-ordination or both” in the first line and inserting in lieu thereof “the operational integration”.

s. 6 (2) (d) (i),
amended

- (2) Subclause 6 (2) (d) (i) of the said Act is amended by inserting after “with” in the second line “or without”.

s. 6a,
enacted

- 4.** The said Act is amended by adding thereto the following section:

Agreements
with
Minister

6a.—(1) The Minister and the Authority may, subject to the approval of the Lieutenant Governor in Council, enter into an agreement that the Authority shall establish, acquire, construct, operate and maintain a transit system that is not within or limited to its area of jurisdiction.

Powers

(2) The powers of the Authority under subsection 6 (2) shall extend to activities carried out by the Authority under an agreement entered into under subsection (1), and, for purposes of carrying out the terms of the agreement, shall not be limited to inter-regional transit systems.

Payment
of
expenditures

(3) The Minister may pay all or part of the expenditures, pursuant to an agreement made under subsection (1), to establish, acquire, construct, operate and maintain a transit system and to acquire lands and equipment necessary and incidental thereto.

s. 9 (3),
re-enacted

- 5.** Subsection 9 (3) of the said Act is repealed and the following substituted therefor:

Motor vehicle
owner and
driver liable
for penalties

(3) The owner of a vehicle may be charged with and convicted of any contravention of a regulation made under subsection (1) prohibiting or regulating vehicular traffic for which the driver of the vehicle is subject to be charged unless, at the time of the contravention, the vehicle was in the possession of some person other than the owner without the owner's consent and on conviction the owner is liable to the penalty prescribed for the offence.

Commence-
ment

- 6.** This Act comes into force on the day it receives Royal Assent.

Short title

- 7.** The short title of this Act is the *Toronto Area Transit Operating Authority Amendment Act, 1981*.

An Act to amend the Toronto
Area Transit Operating Authority Act

1st Reading

April 23rd, 1981

2nd Reading

November 10th, 1981

3rd Reading

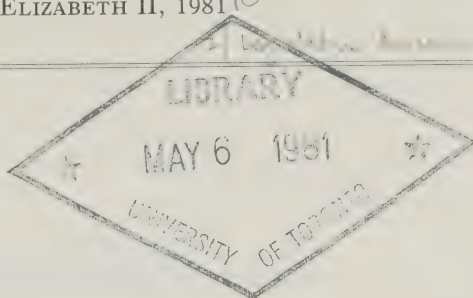
December 18th, 1981

THE HON. J. W. SNOW
Minister of Transportation and
Communications

BILL 3

Private Member's Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981



An Act respecting Advertising by Governmental Organizations

MR. FOULDS

TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTE

The purpose of the Bill is to control the type of advertising placed by the Government of Ontario in broadcasting and print media. The Bill prohibits the placement of advertisements by the Government of Ontario that have the effect of promoting directly or indirectly the political party to which the members of the Executive Council belong. The Bill authorizes the Commission on Election Contributions and Expenses to receive and inquire into complaints concerning government advertising. If the Commission determines that a government advertisement does directly or indirectly promote the political party to which the members of the Executive Council belong, the Government of Ontario must immediately withdraw the advertisement from further use.

BILL 3

1981

An Act respecting Advertising by Governmental Organizations

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. In this Act,

Interpre-
tation

- (a) "Commission" means the Commission on Election Contributions and Expenses established under *The Election Finances Reform Act, 1975*; 1975, c. 12
- (b) "governmental organization" means a ministry, commission, board or other administrative unit of the Government of Ontario, and includes any agency thereof.

2. No governmental organization shall,

Political
advertising
by
government
prohibited

- (a) advertise on the facilities of any broadcasting undertaking; or
- (b) procure for publication, cause to be published or consent to the publication of an advertisement in a newspaper, magazine or other periodical publication or through the use of outdoor advertising facilities,

if the effect of the advertisement is to promote directly or indirectly the political party to which the members of the Executive Council belong.

3.—(1) An advertisement placed by a governmental organization promotes the political party to which the members of the Executive Council belong if,

Prohibited
government
advertising

- (a) the advertisement contains a logo, slogan, motto or name that is similar to or likely to be identified with a logo, slogan, motto or name of the political party;

(b) the advertisement features a photograph or voice recording of a member of the Executive Council; or

(c) the advertisement contravenes guidelines on government advertising established by the Commission.

Guidelines	(2) The Commission shall, within one year after the day on which this Act comes into force, establish guidelines for governmental organizations to assist such organizations in complying with section 2 when placing government advertisements.
Complaint	4.—(1) Where a person believes that a government advertisement contravenes section 2, the person may file a complaint in writing with the Commission concerning the advertisement.
Report	(2) The Commission shall inquire into every complaint and shall make a report within twenty-one days after the complaint was filed to the Speaker of the Assembly or, if the Assembly is dissolved, to the Chief Election Officer indicating whether or not, in the opinion of the Commission, the government advertisement promotes directly or indirectly the political party to which the members of the Executive Council belong.
Withdrawal of advertisement	(3) Where the Commission determines that a government advertisement contravenes section 2, the governmental organization that placed the advertisement shall immediately cease to broadcast or publish the advertisement and, where possible, shall withdraw the advertisement from existing uses.
Public examination of report	(4) Upon receipt of the Commission's report, the Speaker or the Chief Election Officer, as the case may be, shall provide a copy of the report to the person who filed the complaint, shall make the report available for public examination and shall cause the report to be tabled in the Assembly if it is in session or, if not, at the commencement of the next ensuing session.
Commencement	5. This Act comes into force on the day it receives Royal Assent.
Short title	6. The short title of this Act is <i>The Government Advertising Control Act, 1981</i> .

An Act respecting
Advertising by Governmental Organizations

1st Reading

April 23rd, 1981

2nd Reading

3rd Reading

MR. FOLDS

(Private Member's Bill)

BILL 4

Private Member's Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend
The Election Finances Reform Act, 1975

MR. FOULDS



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTE

The purpose of the Bill is to prohibit advertising by the Government of Ontario during a provincial election campaign. The Bill contains exemptions from the general prohibition for advertising related to the administration of the election and advertising required for emergency purposes.

BILL 4

1981

An Act to amend The Election Finances Reform Act, 1975

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. *The Election Finances Reform Act, 1975*, being chapter 12, is amended by adding thereto the following section: s. 38a,
enacted

38a.—(1) The Government of Ontario shall not, during the period between the day the writ for an election is issued and polling day, Limitation
on
government
advertising

- (a) advertise on the facilities of any broadcasting undertaking; or
- (b) procure for publication, cause to be published or consent to the publication of an advertisement in a newspaper, magazine or other periodical publication or through the use of outdoor advertising facilities,

for any purpose.

- (2) Subsection 1 does not apply, Exceptions

- (a) to any advertisement respecting the enumeration and revision of lists of voters or respecting any other matter in relation to the administration of the election; and
- (b) to any advertisement required for emergency purpose, the subject-matter of which is approved before the advertisement is broadcast or published by the leader of each political party represented in the Assembly at the time the writ for the election was issued.

2. This Act comes into force on the day it receives Royal Assent. Commence-
ment
3. The short title of this Act is *The Election Finances Reform Amendment Act, 1981*. Short title

An Act to amend The Election
Finances Reform Act, 1975

1st Reading

April 23rd, 1981

2nd Reading

3rd Reading

MR. FOUNDS

(Private Members' Bill)

BILL 5

Private Member's Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend The Consumer Protection Act

MR. NEWMAN



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTE

This Bill requires that every product offered for sale by a retailer that is marked with the universal product code must also be clearly marked with its individual purchase price.

BILL 5

1981

An Act to amend The Consumer Protection Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. *The Consumer Protection Act*, being chapter 82 of the Revised Statutes of Ontario, 1970, is amended by adding thereto the following section: s. 47a.
enacted

47a.—(1) In this section,

Interpre-
tation

- (a) “computer code” means a marking that is designed to be read and recorded by a computer device for the purpose of calculating the purchase price of a product offered for sale and includes the universal product code;
- (b) “product” means an item of goods;
- (c) “retail seller” means a person who offers a product for sale but not for resale.

(2) No retail seller shall offer for sale a product that is marked with a computer code unless the individual purchase price of such product is clearly expressed on the product, its wrapper or container. Individual
purchase
price
marking
required

2. This Act comes into force on the day it receives Royal Assent. Commence-
ment
3. The short title of this Act is *The Consumer Protection Amendment Act, 1981*. Short title

An Act to amend
The Consumer Protection Act

1st Reading

April 23rd, 1981

2nd Reading

3rd Reading

MR. NEWMAN

(Private Member's Bill)

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to revise The Business Corporations Act

THE HON. G. W. WALKER
Minister of Consumer and Commercial Relations



TABLE OF CONTENTS

	SEC.	PAGE
PART I — Definitions and Application	1, 2	1
PART II — Incorporation	3-21	9
PART III — Corporate Finance	22-44	18
PART IV — Indenture Trustees	45-51	32
PART V — Investment Securities	52-90	37
PART VI — Shareholders	91-107	61
PART VII — Proxies	108-113	72
PART VIII — Directors and Officers	114-136	75
PART IX — Insider Liability	137	93
PART X — Books and Records	138-146	95
PART XI — Auditors and Financial Statements	147-158	101
PART XII — Investigation	159-165	108
PART XIII — Fundamental Changes	166-184	111
PART XIV — Compulsory Acquisitions	185-188	133
PART XV — Liquidation and Dissolution	189-242	145
PART XVI — Remedies, Offences and Penalties	243-259	163
PART XVII — General	260-278	173

EXPLANATORY NOTES

The Bill restates and revises the law as it applies to business corporations. The Bill is designed to effect a measure of uniformity between Ontario corporate legislation and legislation passed by the federal and other provincial jurisdictions.

Among the principal features of the Bill are the following:

1. The administrative functions under the Act are given to the Director rather than to the Minister.

The Director is appointed by the Minister.

2. A corporation may be incorporated with a name in English, French or in a combined English and French form and the English or French word for "Limited", "Incorporated" or "Corporation" or the corresponding abbreviations, "Ltée", "Inc." or "Corp." shall be part of the name (s. 10).
3. The statutory list of ancillary corporate powers and the statutory requirement to provide corporate objects have been removed from the Act and in lieu thereof corporations are given the powers of a natural person (s. 15).
4. The concept of constructive notice has been abolished so that no person is deemed to have knowledge of the contents of documents concerning corporations by reason only that the documents have been filed (s. 18).
5. The common law indoor management rule has been codified. This rule permits third parties to rely upon officers, directors or employees having the authority to bind the company where their actions would imply that they have such authority (s. 19).
6. The concept of par value shares has been removed (s. 22).
7. An opportunity is given to shareholders to have proposals put before shareholders' meetings (s. 98).
8. An opportunity by way of a unanimous shareholder agreement is provided to shareholders to assume the responsibilities of directors and manage the corporation (s. 107).
9. At least one-third of the directors of an offering corporation shall not be officers or employees of the corporation or of any of its affiliates (s. 114).
10. Provision is made for a floating number of directors with the minimum and maximum numbers being set (s. 123).
11. Provision is made to permit a corporation, a shareholder or the Commission in the case of an offering corporation, to apply to the court for an order setting aside a material contract and requiring a director or officer to account to the corporation where he did not disclose his interest therein as required and thereby made a profit or gain (s. 131).
12. Provision is made to allow corporations to purchase insurance to protect a director where he failed to exercise a proper standard of care (s. 135).
13. Provision has been made for liability of insiders of non-offering corporations (s. 137).

14. Provision is made to require retention of accounting records for only six years from the end of the period to which they relate (s. 139).
15. The periods for retaining records by transfer agents, etc., have been standardized (s. 142).
16. A non-offering corporation is exempt from the audit requirements of the Act in a financial year if all of the shareholders consent and if its assets do not exceed \$2,500,000 or its sales \$5,000,000 or if it has been exempted by the Director following application and hearing (s. 147).
17. The auditor's report is required to be made in accordance with generally accepted auditing standards (s. 151).
18. Accounting rules for financial statements have been removed from the Act and will be set out in the regulations. Statements will be required to be reported and prepared in accordance with generally accepted accounting principles (s. 153).
19. Short form of amalgamation with affiliates has been provided for (s. 175).
20. The rights of dissenting shareholders to have their shares purchased by the corporation have been expanded to offering corporations (s. 183).
21. Provision is made for expropriation of the shares of a minority of an offering corporation where 90 per cent of non-insiders accept a take over bid or 90 per cent of the holders of a class of security accept an issuer bid (s. 186).
22. Provision is made so that where 90 per cent of a class of shares of an offering corporation has been acquired by an affiliate, a holder of any of the remaining 10 per cent may force the purchase of his shares (s. 187).
23. Provision has been made to protect minority shareholders in "going private" transactions in public offering companies subject to exemption on application to the Commission (s. 188).
24. For the purpose of a hearing to determine whether sufficient cause exists for cancellation of a certificate of incorporation and dissolution of a corporation, the term "sufficient cause" is defined in part (s. 238).
25. The time within which an application for revival may be made when a corporation has been dissolved for default in complying with *The Corporations Tax Act, 1972*, or failure to comply with the financial disclosure requirements of *The Securities Act, 1978* has been increased from two to five years (s. 239).
26. The existing provision for representative action on behalf of the corporation has been maintained but a new provision setting out in some detail the type of court orders that may be made has been added (s. 244).
27. An oppression remedy has been provided for minority shareholders, creditors and others on application to the court by a complainant, the Director and, in the case of an offering corporation, the Commission (s. 246).
28. Provision has also been made for interim injunctive relief on *ex parte* application (s. 252).
29. The new Act will apply to existing Ontario corporations automatically. The transition section provides that any valid corporate provisions which do not conform to the new Act are deemed to be amended to the extent necessary to bring the terms of such provisions into conformity with the new Act (s. 274).

BILL 6

1981

An Act to revise The Business Corporations Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

PART I

DEFINITIONS AND APPLICATION

1.—(1) In this Act,

Interpre-
tation

1. “affairs” means the relationships among a corporation, its affiliates and the shareholders, directors and officers of such bodies corporate but does not include the business carried on by such bodies corporate;
2. “affiliate” means an affiliated body corporate within the meaning of subsection 4;
3. “articles” means the original or restated articles of incorporation, articles of amendment, articles of amalgamation, articles of arrangement, articles of continuance, articles of dissolution, articles of reorganization, articles of revival, letters patent, supplementary letters patent, a special Act and any other instrument by which a corporation is incorporated;
4. “associate”, where used to indicate a relationship with any person, means,
 - i. any body corporate of which the person beneficially owns, directly or indirectly, voting securities carrying more than 10 per cent of the voting rights attached to all voting securities of the body corporate for the time being outstanding,
 - ii. any partner of that person,

- iii. any trust or estate in which the person has a substantial beneficial interest or as to which the person serves as trustee or in a similar capacity, or
 - iv. any relative of the person, including his spouse, or of his spouse who has the same home as such person;
- 5. "auditor" includes a partnership of auditors;
- 6. "beneficial interest" or "beneficial ownership" includes ownership through a trustee, legal representative, agent or other intermediary;
- 7. "body corporate" means any body corporate with or without share capital and whether or not it is a corporation to which this Act applies;
- 8. "certified copy" means,
 - i. in relation to a document of a corporation, a copy of the document certified to be a true copy by an officer thereof,
 - ii. in relation to a document issued by a court, a copy of the document certified to be a true copy under the seal of the court and signed by the registrar or clerk thereof,
 - iii. in relation to a document in the custody of the Director, a copy of the document certified to be a true copy by the Director and signed by the Director or by such officer of the Ministry as is designated by the regulations;
- 9. "Commission" means the Ontario Securities Commission;
- 10. "corporation" means a body corporate with share capital to which this Act applies;
- 11. "corporation number" means the number assigned by the Director to a corporation in accordance with subsection 1 of section 8 and "number" in relation to a corporation means the corporation number of that corporation;
- 12. "court" means the High Court of Justice;
- 13. "day" means a clear day and a period of days shall be deemed to commence the day following the event that

began the period and shall be deemed to terminate at midnight of the last day of the period except that if the last day of the period falls on a Sunday or holiday the period shall terminate at midnight of the day next following that is not a Sunday or holiday;

14. "debt obligation" means a bond, debenture, note or other similar obligation or guarantee of such an obligation of a body corporate, whether secured or unsecured;
15. "Director" means the Director appointed under section 275;
16. "director" means a person occupying the position of director of a corporation by whatever name called and "directors" and "board of directors" include a single director;
17. "endorse" means imprinting a stamp on the face of articles or other document sent to the Director;
18. "financial statement" means a financial statement referred to in section 152;
19. "incorporator" means a person who signs articles of incorporation;
20. "individual" means a natural person, but does not include a partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, or a natural person in his capacity as trustee, executor, administrator or other legal representative;
21. "interim financial statement" means a financial statement referred to in section 158;
22. "liability" includes a debt of a corporation arising under section 36, subsection 27 of section 183 or clause *f* or *g* of subsection 3 of section 246;
23. "Minister" means the Minister of Consumer and Commercial Relations or such other member of the Executive Council to whom the administration of this Act may be assigned;
24. "Ministry" means the Ministry of the Minister;
25. "non-resident corporation" means a corporation incorporated in Canada before the 27th day of April, 1965, and that is not deemed to be resident in Canada for the

1970-71,
c. 63 (Can.)

purposes of the *Income Tax Act* (Canada) by subsection 4 of section 250 of that Act;

26. "number name" means the name of a corporation that consists only of its corporation number followed by the word "Ontario" and one of the words or abbreviations provided for in subsection 1 of section 10;
27. "offering corporation" means a corporation that is offering its securities to the public within the meaning of subsection 6 and that is not the subject of an order of the Commission deeming it to have ceased to be offering its securities to the public;
28. "officer" means an officer designated under section 132 and includes the chairman of the board of directors, a vice-chairman of the board of directors, the president, a vice-president, the secretary, an assistant secretary, the treasurer, an assistant treasurer and the general manager of a corporation, and any other individual designated an officer of a corporation by by-law or by resolution of the directors or any other individual who performs functions for a corporation similar to those normally performed by an individual occupying any such office;
29. "ordinary resolution" means a resolution that is submitted to a meeting of the shareholders of a corporation and passed, with or without amendment, at the meeting by at least a majority of the votes cast;
30. "person" includes an individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, and a natural person in his capacity as trustee, executor, administrator, or other legal representative;
31. "personal representative", where used with reference to holding shares in that capacity, means an executor, administrator, guardian, tutor, trustee, receiver or liquidator or the committee of or curator to a mentally incompetent person;
32. "prescribed" means prescribed by the regulations;
33. "redeemable share" means a share issued by a corporation,
 - i. that the corporation may purchase or redeem upon the demand of the corporation, or

- ii. that the corporation is required by its articles to purchase or redeem at a specified time or otherwise upon the demand of a shareholder;
- 34. "registered office" means the office of a corporation located at the address specified in its articles or in the notice most recently filed by the corporation under subsection 3 of section 14;
- 35. "regulations" means the regulations made under this Act;
- 36. "related person", where used to indicate a relationship with any person, means,
 - i. any spouse, son or daughter of that person,
 - ii. any relative of the person or of his spouse, other than a relative referred to in subparagraph i, who has the same home as the person, or
 - iii. any body corporate of which the person and any of the persons referred to in subparagraph i or ii or the partner or employer of the person, either alone or in combination, beneficially owns, directly or indirectly, voting securities carrying more than 50 per cent of the voting rights attached to all voting securities of the body corporate for the time being outstanding;
- 37. "resident Canadian" means an individual who is,
 - i. a Canadian citizen ordinarily resident in Canada,
 - ii. a Canadian citizen not ordinarily resident in Canada who is a member of a prescribed class of persons, or
 - iii. a permanent resident within the meaning of the *Immigration Act, 1976* (Canada) and ordinarily resident in Canada, except a permanent resident who has been ordinarily resident in Canada for more than one year after the time at which he first became eligible to apply for Canadian citizenship;
- 38. "security" means a share of any class or series of shares or a debt obligation of a body corporate and includes a certificate evidencing such a share or debt obligation;

1976-77,
c. 52 (Can.)

39. “security interest” means an interest in or charge upon the property of a body corporate by way of mortgage, hypothec, pledge or otherwise, to secure payment of a debt or performance of any other obligation of the body corporate;
40. “send” includes deliver or mail;
41. “senior officer” means,
 - i. the chairman of the board of directors, a vice-chairman of the board of directors, the president, a vice-president, the secretary, the treasurer or the general manager of a corporation or any other individual who performs functions for a corporation similar to those normally performed by an individual occupying any such office, and
 - ii. each of the five highest paid employees of a corporation, including any individual referred to in subparagraph i;
42. “series”, in relation to shares, means a division of a class of shares;
43. “special resolution” means a resolution that is,
 - i. submitted to a special meeting of the shareholders of a corporation duly called for the purpose of considering the resolution and passed, with or without amendment, at the meeting by at least two-thirds of the votes cast, or
 - ii. consented to in writing by each shareholder of the corporation entitled to vote at such a meeting or his attorney authorized in writing;
44. “unanimous shareholder agreement” means an agreement described in subsection 2 of section 107 or a declaration of a shareholder described in subsection 3 of section 107;
45. “voting security” means any security other than a debt obligation of a body corporate carrying a voting right either under all circumstances or under some circumstances that have occurred and are continuing;

46. "warrant" means any certificate or other document issued by a corporation as evidence of conversion privileges or options or rights to acquire securities of the corporation. R.S.O. 1970, c. 53, s. 1 (1); 1971, c. 26, s. 1; 1972, c. 1, ss. 1, 30; 1972, c. 138, s. 1 (1-4); 1974, c. 26, s. 1; 1978, c. 49, s. 1; 1979, c. 36, s. 1.

(2) For the purposes of this Act, a body corporate shall be deemed to be a subsidiary of another body corporate if, but only if, Interpretation:
subsidiary
body
corporate

(a) it is controlled by,

(i) that other, or

(ii) that other and one or more bodies corporate each of which is controlled by that other, or

(iii) two or more bodies corporate each of which is controlled by that other; or

(b) it is a subsidiary of a body corporate that is that other's subsidiary.

(3) For the purposes of this Act, a body corporate shall be deemed to be another's holding body corporate if, but only if, that other is its subsidiary. Holding
body
corporate

(4) For the purposes of this Act, one body corporate shall be deemed to be affiliated with another body corporate if, but only if, one of them is the subsidiary of the other or both are subsidiaries of the same body corporate or each of them is controlled by the same person. R.S.O. 1970, c. 53, s. 1 (2-4). Affiliated
body
corporate

(5) For the purposes of this Act, a body corporate shall be deemed to be controlled by another person or by two or more bodies corporate if, but only if, Control

(a) voting securities of the first-mentioned body corporate carrying more than 50 per cent of the votes for the election of directors are held, other than by way of security only, by or for the benefit of such other person or by or for the benefit of such other bodies corporate; and

(b) the votes carried by such securities are sufficient, if exercised, to elect a majority of the board of directors of the first-mentioned body corporate. R.S.O. 1970, c. 53, s. 1 (5), *amended*.

(6) For the purposes of this Act, a corporation is offering its securities to the public only where, Offering
securities
to public

1978, c. 47

- (a) in respect of any of its securities a prospectus, statement of material facts or securities exchange take-over bid or issuer bid circular has been filed under *The Securities Act, 1978* or any predecessor thereof, or in respect of which a prospectus has been filed under *The Corporations Information Act*, being chapter 72 of the Revised Statutes of Ontario, 1960, or any predecessor thereof, so long as any of such securities are outstanding or any securities into which such securities are converted are outstanding; or
- (b) any of its securities have been at any time since the 1st day of May, 1967, listed and posted for trading on any stock exchange in Ontario recognized by the Commission regardless of when such listing and posting for trading commenced,

except that where, upon the application of a corporation that has fewer than fifteen security holders, the Commission is satisfied, in its discretion, that to do so would not be prejudicial to the public interest, the Commission may order, subject to such terms and conditions as the Commission may impose, that the corporation shall be deemed to have ceased to be offering its securities to the public. 1972, c. 138, s. 1 (5); 1978, c. 49, s. 1 (6, 7).

Execution of documents

(7) Any articles, notice, resolution, requisition, statement or other document required or permitted to be executed by more than one person for the purposes of this Act may be executed in several documents of like form each of which is executed by one or more of such persons, and such documents, when duly executed by all persons required or permitted, as the case may be, to do so, shall be deemed to constitute one document for the purposes of this Act. *New.*

Applications

2.—(1) This Act, except where it is otherwise expressly provided, applies,

- (a) to every corporation incorporated by or under a general or special Act of the Parliament of the former Province of Upper Canada;
- (b) to every corporation incorporated by or under a general or special Act of the Parliament of the former Province of Canada that has its registered office and carries on business in Ontario; and
- (c) to every corporation incorporated by or under a general or special Act of the Legislature,

but this Act does not apply to a corporation within the meaning of *The Loan and Trust Corporations Act* except as provided by that Act. R.S.O. 1970, c. 53, s. 2 (1), *amended*. R.S.O. 1970, c. 254

(2) Notwithstanding *The Railways Act*, being chapter 331 of the Revised Statutes of Ontario, 1950, and subject to subsection 5 of section 166, this Act applies to a corporation that is a company as defined in that Act but that is not engaged in constructing or operating a railway, street railway or incline railway. *New*. Idem

(3) This Act does not apply to a corporation that, Idem

(a) is a company within the meaning of *The Corporations Act* and has objects in whole or in part of a social nature; R.S.O. 1970, c. 89

(b) is a corporation to which *The Co-operative Corporations Act*, 1973 applies; 1973, c. 101

(c) is a corporation that is an insurer within the meaning of subsection 1 of section 161 of *The Corporations Act*;

(d) is a corporation to which *The Credit Unions and Caisses Populaires Act*, 1976 applies. R.S.O. 1970, c. 53, s. 2 (2), *amended*. 1976, c. 62

PART II

INCORPORATION

3.—(1) Where the practice of a profession is governed by an Act, a corporation may practise the profession only if that Act expressly permits the practice of the profession by a corporation and subject to the provisions of such Act. R.S.O. 1970, c. 53, s. 3 (3), *amended*. Professions

(2) A corporation may be incorporated under this Act with its powers restricted by its articles to lending and investing money on mortgage of real estate or otherwise, or with its powers restricted by its articles to accepting and executing the office of liquidator, receiver, assignee, trustee in bankruptcy or trustee for the benefit of creditors and to accepting the duty of and acting generally in the winding up of corporations, partnerships and estates, other than estates of deceased persons, and shall not by reason thereof be deemed to be a corporation within the meaning of *The Loan and Trust Corporations Act*, but the number of its shareholders, exclusive of persons who are in the employment of the corporation, shall be limited by its articles to five, and no such corporation shall issue debt obligations except to its shareholders, or borrow money on the security of its property except Incorporation

from its shareholders, or receive money on deposit or offer its securities to the public. R.S.O. 1970, c. 53, s. 3 (2), *amended*.

Articles of
incorporation

4.—(1) One or more individuals or bodies corporate or any combination thereof may incorporate a corporation by signing articles of incorporation and complying with section 6.

Idem

(2) Subsection 1 does not apply to an individual who,

- (a) is less than eighteen years of age;
- (b) is of unsound mind and has been so found by a court in Canada or elsewhere; or
- (c) has the status of bankrupt. R.S.O. 1970, c. 53, s. 4 (1); 1971, c. 98, s. 4, Sched., par. 4, *amended*.

Contents of
articles

5.—(1) Articles of incorporation shall follow the prescribed form and shall set out, in respect of the proposed corporation,

- (a) the name of the corporation;
- (b) the municipality or geographic township within Ontario and the address including street name and number, if any, where the registered office is to be located;
- (c) the classes and any maximum number of shares that the corporation is authorized to issue, and
 - (i) if there are to be two or more classes of shares, the rights, privileges, restrictions and conditions attaching to each class of shares, and
 - (ii) if a class of shares may be issued in series, the authority given to the directors to fix the number of shares in, and to determine the designation of, and the rights, privileges, restrictions and conditions attaching to the shares of, each series;
- (d) if the right to transfer shares of the corporation is to be restricted, a statement that the right to transfer shares is restricted and the nature of the restriction;
- (e) the number of directors or, subject to section 119, the minimum and maximum number of directors, and, for each director,
 - (i) the surname of the director,
 - (ii) the first or other given name by which the director is commonly known,

- (iii) the first letters of the other given names, if any, of the director,
- (iv) the address, including the street name and number, if any, of the director's residence, and
- (v) whether the director is a resident Canadian;
- (f) any restrictions on the business that the corporation may carry on or on the powers that the corporation may exercise;

(g) for each incorporator who is an individual,

- (i) the surname of the individual,
- (ii) the first or other given name by which the individual is commonly known,
- (iii) the first letters of the other given names, if any, of the individual, and
- (iv) the address including the street name and number, if any, of the individual's residence,

and for each incorporator that is a body corporate,

- (v) the corporate name, and
- (vi) the location of its registered office or principal place of business, including the street name and number, if any; and

(h) any other matter required by this Act or the regulations to be set out in the articles. R.S.O. 1970, c. 53, s. 4 (2), *amended*.

(2) If the articles name as first director an individual who is not an incorporator, his consent, in prescribed form, to act as a first director shall accompany the articles. Where consent required

(3) The articles may set out any provisions permitted by this Act or permitted by law to be set out in the by-laws of the corporation. Provisions in articles

(4) Subject to subsection 5, if a greater number of votes of directors or shareholders are required by the articles or a unanimous shareholder agreement than are required by this Act to effect any action, the provisions of the articles or of the unanimous shareholder agreement prevail. Where articles, etc., prevail

Votes to remove director	(5) The articles shall not require a greater number of votes of shareholders to remove a director than the number specified in section 121. <i>New.</i>
Certificate of incorporation	6. An incorporator shall send to the Director articles of incorporation and, upon receipt of the articles, the Director shall endorse thereon, in accordance with section 271, a certificate which shall constitute the certificate of incorporation. 1979, c. 36, s. 3, <i>part, amended.</i>
Certificate of incorporation	7. A certificate of incorporation is conclusive proof that the corporation has been incorporated under this Act on the date set out in the certificate, except in a proceeding under section 238 to cancel the certificate for cause. 1979, c. 36, s. 3, <i>part.</i>
Assignment of number	8.—(1) Every corporation shall be assigned a number by the Director and such number shall be specified as the corporation number in the certificate of incorporation and in any other certificate relating to the corporation endorsed or issued by the Director.
Idem	(2) Where no name is specified in the articles that are delivered to the Director, the corporation shall be assigned a number name.
Idem	(3) Where, through inadvertence or otherwise, the Director has assigned to a corporation a corporation number or number name that is the same as the number or name of any other corporation previously assigned, the Director may, without holding a hearing, issue a certificate of amendment to the articles of the corporation changing the number or name assigned to the corporation and, upon the issuance of the certificate of amendment, the articles are amended accordingly.
Idem	(4) Where for any reason the Director has endorsed a certificate on articles that sets out the corporation number incorrectly, the Director may substitute a corrected certificate that bears the date of the certificate it replaces.
Idem	(5) The file number that has been assigned to each corporation by the Minister prior to this section coming into force shall be deemed to be that corporation's number. 1979, c. 36, s. 4, <i>amended.</i>
Name prohibition	9.—(1) Subject to subsection 2, a corporation shall not have a name, (a) that contains a word or expression prohibited by the regulations;

(b) that is the same as or, except where a number name is proposed, similar to,

(i) the name of a known,

a. body corporate,

b. trust,

c. association,

d. partnership,

e. sole proprietorship, or

f. individual,

whether in existence or not, or

(ii) the known name under which any body corporate, trust, association, partnership, sole proprietorship, or individual, carries on business or identifies itself,

if the use of that name would be likely to deceive; or

(c) that does not meet the requirements prescribed by the regulations.

(2) A corporation may have a name described in clause *b* of subsection 1 upon complying with conditions prescribed by the regulations. Exception to subs. 1

(3) There shall be filed with the Director such documents relating to the name of the corporation as may be prescribed by the regulations. 1979, c. 36, s. 5. Documents filed

10.—(1) The word “Limited”, “Limitée”, “Incorporated”, “Incorporée”, or “Corporation” or the corresponding abbreviations “Ltd.”, “Ltée”, “Inc.” or “Corp.” shall be part, in addition to any use in a figurative or descriptive sense, of the name of every corporation, but a corporation may be legally designated by either the full or the abbreviated form. Use of “Limited”, “Limitée”, etc.

(2) Subject to the provisions of this Act and the regulations, a corporation may set out its name in its articles in an English form, a French form, an English form and a French form or a combined English and French form and it may be legally designated by any such name. Corporate name

(3) For the purposes of subsections 1 and 2, only letters from the alphabet of the English language or Arabic numerals or a combi- Idem

nation thereof, together with such punctuation marks and other marks as are permitted by regulation, may form part of the name of a corporation.

Idem (4) Subject to the provisions of this Act and the regulations, a corporation may have in its articles a special provision permitting it to set out its name in any language and the corporation may be legally designated by that name.

Idem (5) Notwithstanding subsection 4, a corporation shall set out its name in legible characters in all contracts, invoices, negotiable instruments and orders for goods or services issued or made by or on behalf of the corporation and in all documents sent to the Director under this Act.

Unauthorized
use of
"Limited",
etc.

11.—(1) No person, while not incorporated, shall trade or carry on a business or undertaking under a name in which "Limited", "Incorporated" or "Corporation" or any abbreviation thereof, or any version thereof in another language, is used.

Idem

(2) Where a corporation carries on business or identifies itself to the public by a name or style other than as provided in the articles, that name or style shall not include the word "Limited", "Incorporated", or "Corporation" or any abbreviation thereof or any version thereof in another language.

Change of
name if
objectionable

12.—(1) If a corporation, through inadvertence or otherwise, has acquired a name contrary to section 9, the Director may, after giving the corporation an opportunity to be heard, issue a certificate of amendment to the articles changing the name of the corporation to a name specified in the certificate and, upon the issuance of the certificate of amendment, the articles are amended accordingly.

Failure to
perform
undertaking

(2) Where an undertaking to dissolve or change its name is given by a corporation and the undertaking is not carried out within the time specified, the Director may, after giving the corporation an opportunity to be heard, issue a certificate of amendment to the articles changing the name of the corporation to a name specified in the certificate and, upon the issuance of a certificate of amendment, the articles are amended accordingly.

Idem

(3) Where an undertaking to dissolve or change its name is given by a person who is not a corporation and the undertaking is not carried out within the time specified, the Director may, after giving the corporation that acquired the name by virtue of such undertaking an opportunity to be heard, issue a certificate of amendment to the articles changing the name of the corporation to a name specified in the certificate and, upon the issuance of the

certificate, the articles are amended accordingly. 1979, c. 36, s. 8, *amended*.

13. A corporation may, but need not, have a corporate seal. R.S.O. 1979, c. 53, s. 13 (1), *amended*. Corporate seal

14.—(1) A corporation shall at all times have a registered office in the municipality or geographic township within Ontario specified in its articles. Registered office

(2) The head office of every corporation incorporated prior to the day this Act comes into force shall be deemed to be the registered office of the corporation. Idem

(3) A corporation may by resolution of its directors change the location of its registered office within a municipality or geographic township and shall, within ten days after the passing of the resolution, file a notice of change under *The Corporations Information Act*, 1976. Change of address
1976, c. 66

(4) Failure to comply with subsection 3 does not affect the validity of the resolution. R.S.O. 1970, c. 53, s. 14, *amended*. Validity

15. A corporation has the capacity and the rights, powers and privileges of a natural person. R.S.O. 1970, c. 53, s. 15 (1); 1972, c. 138, s. 6, *amended*. Corporate powers

16. A corporation has the capacity to carry on its business, conduct its affairs and exercise its powers in any jurisdiction outside Ontario to the extent that the laws of such jurisdiction permit. R.S.O. 1970, c. 53, s. 15 (4), *amended*. Capacity to act outside Ontario

17.—(1) It is not necessary for a by-law to be passed in order to confer any particular power on the corporation or its directors. *New.* Corporate power not dependent on by-law

(2) A corporation shall not carry on any business or exercise any power that it is restricted by its articles from carrying on or exercising, nor shall the corporation exercise any of its powers in a manner contrary to its articles. R.S.O. 1970, c. 53, s. 15 (3), *amended*. Power limited by articles, etc.

(3) Notwithstanding subsection 2 and subsection 2 of section 3, no act of a corporation including a transfer of property to or by the corporation is invalid by reason only that the act is contrary to its articles, by-laws, a unanimous shareholder agreement or this Act. R.S.O. 1970, c. 53, s. 16 (1), *amended*. Acting outside powers

18. No person is affected by or is deemed to have notice or knowledge of the contents of a document concerning a corporation Where notice is not deemed

by reason only that the document has been filed with the Director or is available for inspection at an office of the corporation. *New.*

Indoor
management
rule

19. A corporation or a guarantor of an obligation of a corporation may not assert against a person dealing with the corporation or with any person who has acquired rights from the corporation that,

1976, c. 66

- (a) the articles, by-laws or any unanimous shareholder agreement have not been complied with;
- (b) the persons named in the most recent notice filed under *The Corporations Information Act, 1976*, or named in the articles, whichever is more current, are not the directors of the corporation;
- (c) the location named in the most recent notice filed under subsection 3 of section 14 or named in the articles, whichever is more current, is not the registered office of the corporation;
- (d) a person held out by a corporation as a director, an officer or an agent of the corporation has not been duly appointed or does not have authority to exercise the powers and perform the duties that are customary in the business of the corporation or usual for such director, officer or agent;
- (e) a document issued by any director, officer or agent of a corporation with actual or usual authority to issue the document is not valid or not genuine; or
- (f) financial assistance referred to in section 20 or a sale, lease or exchange of property referred to in subsection 3 of section 182 was not authorized,

except where the person has or ought to have, by virtue of his position with or relationship to the corporation, knowledge to that effect. *New.*

Financial
assistance by
corporation

20.—(1) Except as permitted under subsection 2, a corporation or any corporation with which it is affiliated, shall not, directly or indirectly, give financial assistance by means of a loan, guarantee or otherwise,

- (a) to any shareholder, director, officer or employee of the corporation or affiliated corporation or to an associate of any such person for any purpose; or

- (b) to any person for the purpose of or in connection with a purchase of a share, or a security convertible into or exchangeable for a share, issued or to be issued by the corporation or affiliated corporation,

where there are reasonable grounds for believing that,

- (c) the corporation is or, after giving the financial assistance, would be unable to pay its liabilities as they become due; or
- (d) the realizable value of the corporation's assets, excluding the amount of any financial assistance in the form of a loan and in the form of any secured guarantee, after giving the financial assistance, would be less than the aggregate of the corporation's liabilities and stated capital of all classes.

(2) A corporation may give financial assistance by means of a ^{Idem} loan, guarantee or otherwise,

- (a) to any person in the ordinary course of business if the lending of money is part of the ordinary business of the corporation;
- (b) to any person on account of expenditures incurred or to be incurred on behalf of the corporation;
- (c) to its holding body corporate if the corporation is a wholly owned subsidiary of the holding body corporate;
- (d) to a subsidiary body corporate of the corporation;
- (e) to employees of the corporation or any of its affiliates,
 - (i) to enable or assist them to purchase or erect living accommodation for their own occupation, or
 - (ii) in accordance with a plan for the purchase of shares of the corporation or any of its affiliates.

(3) A contract made by a corporation in contravention of this section may be enforced by the corporation or by a lender for value in good faith without notice of the contravention. *New.* Validity of contract

21.—(1) Except as provided in this section, a person who enters into an oral or written contract in the name of or on behalf of a corporation before it comes into existence is personally bound by the contract and is entitled to the benefits thereof. Contract prior to corporate existence

Adoption of
contract by
corporation

(2) A corporation may, within a reasonable time after it comes into existence, by any action or conduct signifying its intention to be bound thereby, adopt an oral or written contract made before it came into existence in its name or on its behalf, and upon such adoption,

- (a) the corporation is bound by the contract and is entitled to the benefits thereof as if the corporation had been in existence at the date of the contract and had been a party thereto; and
- (b) a person who purported to act in the name of or on behalf of the corporation ceases, except as provided in subsection 3, to be bound by or entitled to the benefits of the contract.

Non-adoption
of contract

(3) Except as provided in subsection 4, whether or not an oral or written contract made before the coming into existence of a corporation is adopted by the corporation, a party to the contract may apply to a court for an order fixing obligations under the contract as joint or joint and several or apportioning liability between the corporation and the person who purported to act in the name of or on behalf of the corporation, and, upon such application, the court may make any order it thinks fit.

Exception to
subs. 1

(4) If expressly so provided in the oral or written contract referred to in subsection 1, a person who purported to act in the name of or on behalf of the corporation before it came into existence is not in any event bound by the contract or entitled to the benefits thereof. R.S.O. 1970, c. 53, s. 20, *amended*.

PART III

CORPORATE FINANCE

Shares

22.—(1) Shares of a corporation shall be in registered form and shall be without nominal or par value.

Idem

(2) Shares with nominal or par value of a corporation incorporated before the day this Act comes into force shall be deemed to be shares without nominal or par value.

Rights of
shareholders

(3) Where a corporation has only one class of shares, the rights of the holders thereof are equal in all respects and include the rights,

- (a) to vote at all meetings of shareholders; and
- (b) to receive the remaining property of the corporation upon dissolution.

Idem

(4) The articles may provide for more than one class of shares and where they so provide,

(a) the rights, privileges, restrictions and conditions attaching to the shares of each class shall be set out therein; and

(b) each of the rights set out in subsection 3 shall be attached to at least one class of shares, but both such rights are not required to be attached to any one class.

(5) Notwithstanding subsection 4, the right of the holders of a class of shares to one vote for each share at all meetings of shareholders other than meetings of the holders of another class of shares, or to receive the remaining property of the corporation upon dissolution, need not be set out in the articles. R.S.O. 1970, c. 53, s. 24, *amended*. Saving provision

(6) Except as provided in section 25, each share of a class shall be the same in all respects as every other share of that class. R.S.O. 1970, c. 53, s. 28. Shares within a class equal

23.—(1) Subject to the articles, the by-laws, any unanimous shareholder agreement and section 26, shares may be issued at such time and to such persons and for such consideration as the directors may determine. Issuance of shares

(2) Shares issued by a corporation are non-assessable and the holders are not liable to the corporation or to its creditors in respect thereof. *New*. Shares non-assessable

(3) A share shall not be issued until the consideration for the share is fully paid in money or in property or past service that is not less in value than the fair equivalent of the money that the corporation would have received if the share had been issued for money. R.S.O. 1970, c. 53, s. 44 (4), *amended*. Fully-paid shares

(4) The directors shall, in connection with the issue of any share not issued for money, determine, Value determined by directors

(a) the amount of money the corporation would have received if the share had been issued for money; and

(b) either,

(i) the fair value of the property or past service in consideration of which the share is issued, or

(ii) that such property or past service has a fair value that is not less than the amount of money referred to in clause a.

(5) In determining the value of property or past service, the directors may take into account reasonable charges and expenses of organization and reorganization and payments for property and past service reasonably expected to benefit the corporation. Idem

Interpre-
tation of
property

R.S.C. 1952,
c. 148

(6) For the purposes of subsection 3 and of subsection 3 of section 24, a document evidencing indebtedness of a person to whom shares are to be issued, or of any other person not dealing at arm's length with such person within the meaning of that term in the *Income Tax Act* (Canada), does not constitute property. *New.*

Separate
capital
account

24.—(1) A corporation shall maintain a separate stated capital account for each class and series of shares it issues.

Idem

(2) A corporation shall add to the appropriate stated capital account in respect of any shares it issues the full amount of the consideration it receives as determined by the directors which, in the case of shares not issued for money, shall be the amount determined by the directors in accordance with clause *a* of subsection 4 of section 23 or, if a determination is made by the directors in accordance with subclause *i* of clause *b* of subsection 4 of section 23, the amount so determined.

Exception to
subs. 2

(3) Notwithstanding subsection 2 and subsection 3 of section 23, where a corporation issues shares,

(a) in exchange for,

(i) property of a person who immediately before the exchange does not deal with the corporation at arm's length within the meaning of that term in the *Income Tax Act* (Canada), or

(ii) shares of a body corporate that immediately before the exchange or that, because of the exchange, does not deal with the corporation at arm's length within the meaning of that term in the *Income Tax Act* (Canada); or

(b) under an agreement referred to in subsection 1 of section 173 or an arrangement referred to in clause *c* or *d* of subsection 1 of section 180 or to shareholders of an amalgamating corporation who receive the shares in addition to or instead of securities of the amalgamated corporation,

the corporation may, subject to subsection 4, add all or any portion of the consideration it received for the shares to the appropriate stated capital account.

Addition to
stated capital
account

(4) On the issue of a share, a corporation shall not add to a stated capital account in respect of the share an amount greater than the amount referred to in subsection 2.

(5) Notwithstanding subsection 2, on the day this Act comes into force or at such time thereafter as a corporation has been continued under this Act, as the case may be, the amount in the stated capital account maintained by a corporation in respect of each class or series of shares then issued shall be equal to the aggregate amount paid up on the shares of each such class or series of shares immediately prior thereto, and, after such time, a corporation may, upon complying with subsection 6, add to the stated capital account maintained by it in respect of any class or series of shares any amount it has credited to a retained earnings or other surplus account.

Stated capital
at time of
coming into
force or
continuance

(6) Where a corporation proposes to add any amount to a stated capital account that it maintains in respect of a class or series of shares otherwise than under subsection 2 of section 38, the addition to the stated capital account must be approved by special resolution if,

Additions to
stated capital
account

(a) the amount to be added,

- (i) was not received by the corporation as consideration for the issue of shares, or
- (ii) was received by the corporation as consideration for the issue of shares but does not form part of the stated capital attributable to such shares; and

(b) the corporation has outstanding shares of more than one class or series.

(7) Where a class or series of shares of a corporation would be affected by the addition of an amount to any stated capital account under subsection 6 in a manner different from the manner in which any other class or series of shares of the corporation would be affected by such action, the holders of the differently affected class or series of shares are entitled to vote separately as a class or series, as the case may be, on the proposal to take the action, whether or not such shares otherwise carry the right to vote.

Idem

(8) Stated capital accounts of a corporation may be expressed in one or more currencies.

Expressed in
one or more
currencies

(9) A corporation shall not reduce its stated capital or any stated capital account except in the manner provided in this Act.

Reduction in
stated capital

(10) The provisions of this Act relating to stated capital do not apply to an open-end mutual fund.

Non-applica-
tion of Act

(11) For the purposes of this section, "open-end mutual fund" means an offering corporation that carries on only the business of

Interpretation

investing the consideration it receives for the shares it issues, and all or substantially all the shares of which are redeemable upon the demand of the holders of such shares. R.S.O. 1970, c. 53, s. 32, *amended*.

Special shares
in series

25.—(1) The articles may authorize the issue of any class of shares in one or more series and may authorize the directors to fix the number of shares in, and to determine the designation, rights, privileges, restrictions and conditions attaching to the shares of, each series, subject to the limitations set out in the articles.

Proportionate
abatement

(2) If any amount,

(a) of cumulative dividends, whether or not declared, or declared non-cumulative dividends; or

(b) payable on return of capital in the event of the liquidation, dissolution or winding up of a corporation,

in respect of shares of a series is not paid in full, the shares of the series shall participate rateably with the shares of all other series of the same class in respect of,

(c) all accumulated cumulative dividends, whether or not declared, and all declared non-cumulative dividends; or

(d) all amounts payable on return of capital in the event of the liquidation, dissolution or winding up of the corporation,

as the case may be.

No priority of
shares of same
class

(3) No rights, privileges, restrictions or conditions attached to a series of shares authorized under this section shall confer upon the shares of a series a priority in respect of,

(a) dividends; or

(b) return of capital in the event of the liquidation, dissolution or winding up of the corporation,

over the shares of any other series of the same class. R.S.O. 1970, c. 53, s. 29, *amended*.

Articles
designating
special shares

(4) Before the issue of shares of a series authorized under this section, the directors shall send to the Director articles of amendment in the prescribed form designating such series of shares.

Certificate re
special shares

(5) Upon receipt of articles of amendment designating a series of shares, the Director shall endorse thereon, in accordance with

section 271, a certificate which shall constitute the certificate of amendment. 1979, c. 36, s. 12, *amended*.

26. If it is so provided in the articles or a unanimous shareholder agreement, no shares of a class or series shall be issued unless the shares have first been offered to the shareholders of the corporation holding shares of that class or series or of another class or series on such terms as are provided in the articles or unanimous shareholder agreement. *New.* Pre-emptive rights

27.—(1) A corporation may issue warrants as evidence of conversion privileges or options or rights to acquire securities of the corporation, and shall set out the conditions thereof, Conversion privileges, et

(a) in certificates evidencing the securities to which the conversion privileges, options or rights are attached; or

(b) in separate certificates or other documents.

(2) Conversion privileges and options or rights to purchase securities of a corporation may be made transferable or non-transferable, and options or rights to purchase may be made separable or inseparable from any securities to which they are attached. Idem

(3) Where a corporation has granted privileges to convert any securities, other than shares issued by the corporation, into shares of the corporation or has issued or granted options or rights to acquire shares of the corporation and where the articles limit the number of authorized shares, the corporation shall reserve and continue to reserve sufficient authorized shares to meet the exercise of such conversion privileges, options and rights. *New.* Corporation to maintain sufficient reserve

28.—(1) Except as provided in subsection 2 and sections 29 to 32, a corporation, Subsidiaries not to hold shares of holding bodies corporate

(a) shall not hold shares in itself or in its holding body corporate; and

(b) shall not permit any of its subsidiary bodies corporate to hold shares of the corporation.

(2) A corporation shall cause a subsidiary body corporate of the corporation that holds shares of the corporation to sell or otherwise dispose of those shares within five years from, Disposal of shares

(a) the date the body corporate became a subsidiary of the corporation; or

- (b) if the subsidiary held such shares on the 30th day of April, 1954, and has continued from that date to hold such shares, the coming into force of this Act. 1971, c. 26, s. 12, *part*.

Exception to
s. 28

29.—(1) A corporation may in the capacity of a legal representative hold shares in itself or in its holding body corporate unless it or the holding body corporate or a subsidiary of either of them has a beneficial interest in the shares.

Idem

(2) A corporation may permit a subsidiary body corporate to hold shares of the corporation in the capacity of a legal representative unless the corporation or the subsidiary body corporate or a subsidiary of either of them has a beneficial interest in the shares.

Idem

(3) A corporation may hold shares in itself or in its holding body corporate by way of security for the purposes of a transaction entered into by it in the ordinary course of a business that includes the lending of money. 1971, c. 26, s. 12, *part, amended*.

Corporation
holding shares
in itself

(4) A corporation holding, in the capacity of a legal representative, shares in itself or in its holding body corporate or a subsidiary body corporate of a corporation holding, in the capacity of a legal representative, shares of the corporation shall not vote or permit those shares to be voted unless the corporation or subsidiary body corporate, as the case may be,

- (a) holds the shares in the capacity of a legal representative;
and

1978. c. 47

- (b) has complied with section 48 of *The Securities Act, 1978* where that section is applicable. *New*.

Purchase of
issued shares
permitted

30.—(1) Subject to subsection 2 and to its articles, a corporation may purchase or otherwise acquire any of its issued shares or warrants.

Where
prohibited

(2) A corporation shall not make any payment to purchase or otherwise acquire shares issued by it if there are reasonable grounds for believing that,

- (a) the corporation is or, after the payment, would be unable to pay its liabilities as they become due; or
- (b) after the payment, the realizable value of the corporation's assets would be less than the aggregate of,
- (i) its liabilities, and

- (ii) its stated capital of all classes. 1972, c. 138, s. 13, *part, amended*.

31.—(1) Notwithstanding subsection 2 of section 30 but subject to subsection 3 of this section and to its articles, a corporation may purchase or otherwise acquire shares issued by it to, Where s. 30 (2) does not apply

- (a) settle or compromise a debt or claim asserted by or against the corporation;
- (b) eliminate fractional shares; or
- (c) fulfil the terms of a non-assignable agreement under which the corporation has an option or is obliged to purchase shares owned by a current or former director, officer or employee of the corporation.

(2) Notwithstanding subsection 2 of section 30, a corporation may purchase or otherwise acquire shares issued by it to, Idem

- (a) satisfy the claim of a shareholder who dissents under section 183; or
- (b) comply with an order under section 246.

(3) A corporation shall not make any payment to purchase or acquire under subsection 1 shares issued by it if there are reasonable grounds for believing that, Restriction on payment

- (a) the corporation is or, after the payment, would be unable to pay its liabilities as they become due; or
- (b) after the payment, the realizable value of the corporation's assets would be less than the aggregate of,

(i) its liabilities, and

- (ii) the amount that would be required to pay the holders of shares who have a right to be paid, on a redemption or in a liquidation, prior to the holders of the shares to be purchased or acquired.
- 1972, c. 138, s. 13, *part, amended*.

32.—(1) Notwithstanding subsection 2 of section 30 and subsection 3 of section 31, but subject to subsection 2 and to its articles, a corporation may purchase or redeem any redeemable shares issued by it at prices not exceeding the redemption price thereof stated in the articles or calculated according to a formula stated in the articles. Redemption of shares

Restriction
on redemption

(2) A corporation shall not make any payment to purchase or redeem any redeemable shares issued by it if there are reasonable grounds for believing that,

- (a) the corporation is or, after the payment, would be unable to pay its liabilities as they become due; or
- (b) after the payment, the realizable value of the corporation's assets would be less than the aggregate of,
 - (i) its liabilities, and
 - (ii) the amount that would be required to pay the holders of shares who have a right to be paid, on a redemption or in a liquidation, rateably with or prior to the holders of the shares to be purchased or redeemed. *New.*

Donation of
share

33. A corporation may accept from any shareholder a share of the corporation surrendered to it as a gift, but may not extinguish or reduce a liability in respect of an amount unpaid on any such share except in accordance with section 34. R.S.O. 1970, c. 53, s. 43 (1), *amended*.

Reduction of
liability re
unpaid share:
stated capital

34.—(1) Subject to subsection 4, a corporation may by special resolution,

- (a) extinguish or reduce a liability in respect of an amount unpaid on any share; or
- (b) reduce its stated capital for any purpose including, without limiting the generality of the foregoing, for the purpose of,
 - (i) distributing to the holders of issued shares of any class or series of shares an amount not exceeding the stated capital of the class or series, or
 - (ii) declaring its stated capital to be reduced by,
 - a. an amount that is not represented by realizable assets, or
 - b. an amount otherwise determined in respect of which no amount is to be distributed to holders of issued shares of the corporation.

Right to
vote where
reduction
under
subs. 1

(2) Where a class or series of shares of a corporation would be affected by a reduction of stated capital under clause *b* of

subsection 1 in a manner different from the manner in which any other class or series of shares of the corporation would be affected by such action, the holders of the differently affected class or series of shares are entitled to vote separately as a class or series, as the case may be, on the proposal to take the action, whether or not the shares otherwise carry the right to vote.

(3) A special resolution under this section shall specify the stated capital account or accounts from which the reduction of stated capital effected by the special resolution will be made. Account to be reduced specified

(4) A corporation shall not take any action to extinguish or reduce a liability in respect of an amount unpaid on a share or to reduce its stated capital for any purpose other than the purpose mentioned in sub-subclause a of subclause ii of clause b of subsection 1 if there are reasonable grounds for believing that, Restriction on reduction

(a) the corporation is or, after the taking of such action, would be unable to pay its liabilities as they become due; or

(b) after the taking of such action, the realizable value of the corporation's assets would be less than the aggregate of its liabilities.

(5) A creditor of a corporation is entitled to apply to the court for an order compelling a shareholder or other recipient, Application for order where improper reduction

(a) to pay to the corporation an amount equal to any liability of the shareholder that was extinguished or reduced contrary to this section; or

(b) to pay or deliver to the corporation any money or property that was paid or distributed to the shareholder or other recipient as a consequence of a reduction of capital made contrary to this section.

(6) An action to enforce a liability imposed by this section may not be commenced after two years from the date of the action complained of. *New.* Time limitation

(7) Where it appears that there are numerous shareholders who may be liable under this section, the court may permit an action to be brought against one or more of them as representatives of the class and, if the plaintiff establishes his claim as creditor, may make an order of reference and add as parties in the referee's office all such shareholders as may be found, and the referee shall determine the amount that each should contribute towards the plaintiff's claim, which amount may not, in the case of any particular shareholder, exceed the amount referred to in subsection 5, and the referee may direct payment of the sums so determined. R.S.O. 1970, c. 53, s. 103 (4), *amended.* Class action

Shareholder
holding shares
in fiduciary
capacity

(8) No person holding shares in the capacity of a personal representative and registered on the records of the corporation as a shareholder and therein described as the personal representative of a named person is personally liable under this section, but the person named is subject to all liabilities imposed by this section. R.S.O. 1970, c. 53, s. 103 (5), *amended*.

s. 129,
does not apply

(9) This section does not affect any liability that arises under section 129. *New*.

Amount
deducted
from account
upon purchase
etc., of shares

35.—(1) Upon a purchase, redemption or other acquisition by a corporation under section 30, 31, 32, 40 or 183 or clause *f* of subsection 3 of section 246 of shares or fractional shares issued by it, the corporation shall deduct from the stated capital account maintained for the class or series of shares purchased, redeemed or otherwise acquired an amount equal to the result obtained by multiplying the stated capital of the shares of that class or series by a fraction, the numerator of which is the number of shares of that class or series or fractional shares purchased, redeemed or otherwise acquired, and the denominator of which is the number of issued shares of that class or series immediately before the purchase, redemption or other acquisition.

Idem

(2) A corporation shall deduct the amount of a payment made by the corporation to a shareholder under clause *g* of subsection 3 of section 246 from the stated capital account maintained for the class or series of shares in respect of which the payment was made.

Adjustment
in stated
capital account

(3) A corporation shall adjust its stated capital account or accounts in accordance with any special resolution referred to in subsection 3 of section 34.

Idem

(4) Upon a change under section 166, 184 or 246 of issued shares of a corporation, or upon a conversion of such shares pursuant to their terms, into shares of another class or series, the corporation shall,

(a) deduct from the stated capital account maintained for the class or series of shares changed or converted an amount equal to the result obtained by multiplying the stated capital of the shares of that class or series by the number of shares of that class or series changed or converted, and dividing by the number of issued shares of that class or series immediately before the change or conversion; and

(b) add the result obtained under clause *a* and any additional consideration received pursuant to the change or conversion to the stated capital account maintained or to

be maintained for the class or series of shares into which the shares have been changed or converted.

(5) For the purpose of subsection 4 and subject to its articles, ^{Idem} where a corporation issues two classes or series of shares and there is attached to each class or series a right to convert a share of the one class or series into a share of the other class or series, the amount of stated capital attributable to a share in either class or series is the amount obtained when the sum of the stated capital of both classes or series of shares is divided by the number of issued shares of both classes or series of shares immediately before the conversion.

(6) Shares of any class or series or fractional shares issued by a corporation and purchased, redeemed or otherwise acquired by it shall be cancelled or, if the articles limit the number of authorized shares of the class or series, may be restored to the status of authorized but unissued shares of the class. ^{Status of shares purchased, etc.}

(7) For the purposes of this section, a corporation holding shares in itself as permitted by subsections 1 and 2 of section 29 is deemed not to have purchased, redeemed or otherwise acquired such shares. ^{Interpretation} *New.*

(8) Where shares of a class or series are changed under section 166, 184 or 246, or converted pursuant to their terms, into the same or another number of shares of another class or series, such shares become the same in all respects as the shares of the class or series respectively into which they are changed or converted and, if the articles limit the number of shares of either of such classes or series, the number of authorized shares of such class or series is changed and the articles are amended accordingly. ^{Conversion of shares} R.S.O. 1970, c. 53, s. 36 (5), *amended.*

36.—(1) A contract with a corporation providing for the purchase of shares of the corporation by the corporation is specifically enforceable against the corporation except to the extent that the corporation cannot perform the contract without thereby being in breach of section 30 or 31. ^{Contract with corporation re purchase of its shares}

(2) In any action brought on a contract referred to in subsection 1, the corporation has the burden of proving that performance thereof is prevented by section 30 or 31. ^{Idem}

(3) Until the corporation has fully performed a contract referred to in subsection 1, the other party to the contract retains the status of a claimant entitled to be paid as soon as the corporation is lawfully able to do so or in a liquidation to be ranked subordinate to the rights of creditors but in priority to the other shareholders. ^{Idem} *New.*

Commission
on sale
of shares

37. The directors may authorize the corporation to pay a reasonable commission to any person in consideration of his purchasing or agreeing to purchase shares of the corporation from the corporation or from any other person, or procuring or agreeing to procure purchasers for any such shares. 1971, c. 26, s. 11, *amended*.

Declaration of
dividends

38.—(1) The directors may declare and a corporation may pay a dividend by issuing fully paid shares of the corporation or options or rights to acquire fully paid shares of the corporation and, subject to subsection 3, a corporation may pay a dividend in money or property. R.S.O. 1970, c. 53, s. 153 (2), *amended*.

Stock dividend

(2) If shares of a corporation are issued in payment of a dividend, the corporation shall add to the stated capital account maintained or to be maintained for the shares of the class or series issued in payment of the dividend the declared amount of the dividend stated as an amount of money. R.S.O. 1970, c. 53, s. 155, *amended*.

When dividend
not to be
declared

(3) The directors shall not declare and the corporation shall not pay a dividend if there are reasonable grounds for believing that,

(a) the corporation is or, after the payment, would be unable to pay its liabilities as they become due; or

(b) the realizable value of the corporation's assets would thereby be less than the aggregate of,

(i) its liabilities, and

(ii) its stated capital of all classes. R.S.O. 1970, c. 53, s. 153 (1, 3), *amended*.

Corporations
with wasting
assets

39.—(1) Notwithstanding anything in this Act, a corporation,

(a) that for the time being carries on as its principal business the business of operating a producing mining, gas or oil property owned and controlled by it;

(b) at least 75 per cent of the assets of which are of a wasting character; or

(c) incorporated for the purpose of acquiring the assets or a substantial part of the assets of a body corporate and administering such assets for the purpose of converting them into cash and distributing the cash among the shareholders of the corporation,

may declare and pay dividends out of the funds derived from the operations of the corporation.

(2) The powers conferred by subsection 1 may be exercised notwithstanding that the value of the net assets of the corporation may be thereby reduced to less than its stated capital of all classes if the payment of the dividends does not reduce the value of its remaining assets to an amount insufficient to meet all the liabilities of the corporation, exclusive of its stated capital of all classes. R.S.O. 1970, c. 53, s. 154 (1, 2). Extent of impairment of capital

(3) The powers conferred by subsection 1 may be exercised only under the authority of a special resolution. R.S.O. 1970, c. 53, s. 154 (3), *amended*. Special resolution

40.—(1) Subject to subsection 3 of section 55, the articles or by-laws may provide that the corporation has a lien on a share registered in the name of a shareholder or his legal representative for a debt of that shareholder to the corporation. Lien on share

(2) Subsection 1 shall not apply to a corporation that has shares listed on a stock exchange recognized by the Commission. Where subs. 1 does not apply

(3) A corporation may enforce a lien referred to in subsection 1 in accordance with its articles or by-laws. R.S.O. 1970, c. 53, s. 47 (3), *amended*. Enforcement of lien

41. The shares of a corporation are personal property. R.S.O. 1970, c. 53, s. 46. Shares personal property

42.—(1) A corporation shall not impose restrictions on the transfer of shares except such restrictions as are authorized by the articles. Restrictions on transfer

(2) A corporation that has imposed restrictions on the transfer of its shares shall not offer its shares to the public unless the restrictions are necessary, No public offer if transfer restricted

(a) by or under any Act of Canada or Ontario as a condition to the obtaining, holding or renewal of authority to engage in any activity necessary to its undertaking; or

(b) for the purpose of achieving or preserving its status as a Canadian corporation for the purpose of any Act of Canada or Ontario. R.S.O. 1970, c. 53, s. 47 (1, 2).

43. Nothing in this Act prohibits the issue of debt obligations in bearer form. R.S.O. 1970, c. 53, s. 54. Bearer debt obligations

Irredeemable
debt obligation

44.—(1) A condition contained in a debt obligation or in an instrument for securing a debt obligation is not invalid by reason only that the debt obligation is thereby made irredeemable or redeemable only on the happening of a contingency, however remote, or on the expiration of a period, however long. R.S.O. 1970, c. 53, s. 55.

Debt
obligations

(2) Debt obligations issued, pledged, hypothecated or deposited by a corporation are not redeemed by reason only that the indebtedness evidenced by the debt obligations or in respect of which the debt obligations are issued, pledged, hypothecated or deposited is repaid.

Idem

(3) Debt obligations issued by a corporation and purchased, redeemed or otherwise acquired by it may be cancelled or, subject to any applicable trust indenture or other agreement, may be reissued, pledged or hypothecated to secure any obligation of the corporation then existing or thereafter incurred, and any such acquisition and reissue, pledge or hypothecation is not a cancellation of the debt obligations. *New.*

PART IV

INDENTURE TRUSTEES

Interpretation

45.—(1) In this Part,

(a) “event of default” means an event specified in a trust indenture on the occurrence of which,

(i) a security interest constituted by the trust indenture becomes enforceable, or

(ii) the principal, interest and other moneys payable thereunder become or may be declared to be payable before the date of maturity,

but the event is not an event of default until all conditions prescribed by the trust indenture in connection with such event for the giving of notice or the lapse of time or otherwise have been satisfied;

(b) “trust indenture” means any deed, indenture or other instrument, including any supplement or amendment thereto, made by a body corporate under which the body corporate issues or guarantees debt obligations and in which a person is appointed as trustee for the holders of the debt obligations issued or guaranteed thereunder;

- (c) "trustee" means any person appointed as trustee under the terms of a trust indenture to which a body corporate is a party and includes any successor trustee, whether or not the person is a trust company authorized to carry on business in Ontario. 1972, c. 138, s. 16, *part*; 1978, c. 49, s. 3, *amended*.

(2) This Part applies to a trust indenture, whether entered into before or after the day on which this Act comes into force, if, in respect of any debt obligations outstanding or guaranteed thereunder or to be issued or guaranteed thereunder, a prospectus or securities exchange issuer or take-over bid circular has been filed under *The Securities Act, 1978* or any predecessor thereof or in respect of which a prospectus has been filed under *The Corporations Information Act*, being chapter 72 of the Revised Statutes of Ontario, 1960, or any predecessor thereof. 1972, c. 138, s. 16, *part, amended*. Application of this Part
1978, c. 47

(3) The person appointed as trustee under a trust indenture, or at least one of such persons if more than one is so appointed, shall be resident or authorized to do business in Ontario. 1972, c. 138, s. 16, *part*. Resident trustee

(4) Where, upon the application of a body corporate, the Commission is satisfied that to do so would not be prejudicial to the public interest, the Commission may exempt, subject to such terms and conditions as the Commission may impose, a trust indenture from the application of this Part. *New*. Exemption by Commission

46.—(1) A trustee in exercising his powers and discharging his duties shall, Duty of trustee

- (a) act honestly and in good faith with a view to the best interests of the holders of the debt obligations issued under the trust indenture; and
- (b) exercise the care, diligence and skill of a reasonably prudent trustee.

(2) No term of a trust indenture or of any agreement between a trustee and the holders of debt obligations issued thereunder or between the trustee and the issuer or guarantor shall operate so as to relieve a trustee from the duties imposed upon him in subsection 1. 1972, c. 138, s. 17, *part, amended*. Exculpatory clauses

47.—(1) No person shall be appointed as trustee if there is a material conflict of interest between his role as trustee and his role in any other capacity. Conflict of interest

(2) A trustee shall, within ninety days after he becomes aware that a material conflict of interest exists, Idem

- (a) eliminate such conflict of interest; or
- (b) resign from office.

Validity not
affected .

(3) If, notwithstanding the provisions of this section, a trustee has a material conflict of interest, the validity and enforceability of the trust indenture under which the trustee has been appointed, of the security interest constituted by or under such trust indenture and of the securities issued under such trust indenture are not affected in any manner whatsoever by reason only of the existence of such material conflict of interest.

Replacing
trustee

(4) If a trustee contravenes subsection 1 or 2, any interested person may apply to the court for an order that the trustee be replaced, and the court may make an order on such terms as it thinks fit. 1972, c. 138, s. 17, *part, amended*.

Evidence of
compliance

48.—(1) An issuer or a guarantor of debt obligations issued or to be issued under a trust indenture, before doing any act referred to in clause *a*, *b*, *c* or *d*, shall furnish the trustee with evidence of compliance with the conditions in the trust indenture relating to,

- (a) the issue, certification and delivery of debt obligations under the trust indenture;
- (b) the release or release and substitution of property subject to a security interest constituted by the trust indenture;
- (c) the satisfaction and discharge of the trust indenture; or
- (d) the taking of any other action to be taken by the trustee at the request of or on the application of the issuer or guarantor.

Idem

(2) Evidence of compliance as required by subsection 1 shall consist in each case of,

- (a) a statutory declaration or certificate made by a director or an officer of the issuer or guarantor stating that the conditions referred to in that section have been complied with in accordance with the terms of the trust indenture; and
- (b) where the trust indenture requires compliance with conditions that are subject to review,
 - (i) by legal counsel, an opinion, and
 - (ii) by an auditor or accountant, an opinion or report of the auditor of the issuer or guarantor or any accountant licensed under *The Public Accoun-*

tancy Act or comparable legislation of the jurisdiction in which the accountant practises,

in each case approved by the trustee, that the conditions have been complied with in accordance with the terms of the trust indenture.

(3) The evidence of compliance referred to in subsection 2 shall ^{Idem} include a statement by the person giving the evidence,

- (a) declaring that he has read and understands the conditions of the trust indenture described in subsection 1;
- (b) describing the nature and scope of the examination or investigation upon which he based the statutory declaration, certificate, opinion or report; and
- (c) declaring that he has made such examination or investigation as he believes necessary to enable him to make the statements or give the opinions contained or expressed therein.

(4) At least once in each twelve-month period beginning on the date debt obligations are first issued under the trust indenture and at any other reasonable time upon the demand of a trustee, the issuer or guarantor of debt obligations issued under a trust indenture shall furnish the trustee with a certificate that the issuer or guarantor has complied with all requirements contained in the trust indenture that, if not complied with, would, with the giving of notice, lapse of time or otherwise, constitute an event of default, or, if there has been failure to so comply, giving particulars thereof. ^{Certificate of issuer or guarantor}

(5) Upon the demand of a trustee, the issuer or guarantor of debt obligations issued under a trust indenture shall furnish the trustee with evidence in such form as the trustee may require as to compliance with any condition therein relating to any action required or permitted to be taken by the issuer or guarantor under the trust indenture or as a result of any obligation imposed by the trust indenture. ^{Evidence of compliance}

(6) A trustee is not in contravention of subsection 1 of section 46 if he relies in good faith upon statements contained in a statutory declaration, certificate, opinion or report that complies with this Act or the trust indenture. 1972, c. 138, s. 17, *part, amended*. ^{Reliance on opinions}

49. A trustee under a trust indenture and any related person to the trustee shall not be appointed a receiver or receiver and manager or liquidator of the assets or undertaking of the issuer or ^{Trustee not to be receiver}

guarantor of the debt obligations under the trust indenture. 1972, c. 138, s. 17, *part*.

Notice of
events
of default

50.—(1) The trustee shall be required to give to the holders of debt obligations issued under the trust indenture, within a reasonable time but not exceeding thirty days after the trustee becomes aware of the occurrence thereof, notice of every event of default arising under the trust indenture unless the trustee in good faith determines that the withholding of the notice is in the best interests of the holders of the debt obligations and so advises the issuer or guarantor in writing. 1972, c. 138, s. 17, *part, amended*.

Idem

(2) Where notice of the occurrence of an event of default under a trust indenture is given under subsection 1 and the default is thereafter cured, notice that the default is no longer continuing shall be given by the trustee to the holders of the debt obligations within a reasonable time, but not exceeding thirty days, after the trustee becomes aware that the default has been cured. *New*.

Where list
of debt
obligation
holders to
be furnished

51.—(1) Any person, upon payment to a trustee of a reasonable fee therefor, may require the trustee to furnish, within ten days after delivering to the trustee the statutory declaration referred to in subsection 3, a list setting out,

- (a) the names and addresses of the registered holders of the outstanding debt obligations;
- (b) the principal amount of outstanding debt obligations owned by each such holder; and
- (c) the aggregate principal amount of debt obligations outstanding,

as shown on the records maintained by the trustee on the day that the statutory declaration is delivered to the trustee.

Information
to be
furnished
to trustee

(2) Upon the demand of a trustee, the issuer of debt obligations shall furnish the trustee with the information required to enable the trustee to comply with subsection 1.

Statutory
declaration

(3) The statutory declaration required under subsection 1 shall state,

- (a) the name and address of the person requiring the trustee to furnish the list and, if the person is a body corporate, the address for service thereof; and
- (b) that the list will not be used except as permitted under subsection 5.

(4) If the person requiring the trustee to furnish a list under ^{Idem} subsection 1 is a body corporate, the statutory declaration required under that subsection shall be made by a director or officer of the body corporate.

(5) No person shall use a list obtained under this section except ^{Use of list} in connection with,

- (a) an effort to influence the voting of the holders of debt obligations;
- (b) an offer to acquire debt obligations; or
- (c) any other matter relating to the debt obligations or the affairs of the issuer or guarantor thereof. *New.*

PART V

INVESTMENT SECURITIES

52.—(1) In this Part,

Interpretation

- (a) “adverse claim” includes a claim that a transfer is or would be unauthorized or wrongful or that a particular adverse person is the owner of or has an interest in the security;
- (b) “appropriate person”, when used to refer to a person endorsing a security, means,
 - (i) the person specified by the security or by special endorsement to be entitled to the security,
 - (ii) where the person so specified is described as a trustee or other fiduciary but is no longer serving in that capacity and notwithstanding that a successor has been appointed or qualified,
 - a. where only one person is so described, that person or his successor, or
 - b. where more than one person is so described, the remaining persons,
 - (iii) where the person so specified is an individual and is without capacity to act by virtue of death, incompetence, infancy or otherwise, his executor, administrator, committee, guardian or like fiduciary,

- (iv) where the security or endorsement specified more than one person as joint tenants or with right of survivorship and by reason of death all cannot sign, the survivor or survivors,
 - (v) a person having the power to sign under the applicable law or controlling instrument, or
 - (vi) to the extent any of the foregoing persons may act through an agent, his authorized agent;
- (c) “bearer form” when applied to a security means a security that is payable to bearer according to its terms and not by reason of any endorsement;
- (d) “*bona fide* purchaser” means a purchaser for value in good faith and without notice of any adverse claim who takes delivery of a security in bearer form or order form or of a security in registered form issued to him or endorsed to him or endorsed in blank;
- (e) “broker” means a person engaged for all or part of his time in the business of buying and selling securities and who, in the transaction concerned, acts for or buys a security from or sells a security to a customer;
- (f) “clearing corporation” means a body corporate recognized as a clearing corporation by the Commission;
- (g) “custodian” means a bank to which the *Bank Act* (Canada) applies, a trust company registered under *The Loan and Trust Corporations Act* or such other body corporate as may be recognized by the Commission as a custodian and that is acting as custodian for a clearing corporation;
- (h) “delivery” means voluntary transfer of possession;
- (i) “fiduciary” means a trustee, guardian, committee, curator, tutor, executor, administrator or representative of a deceased person, or any other person acting in a fiduciary capacity;
- (j) “fungible” in relation to securities means securities of which any unit is, by nature or usage of trade, the equivalent of any other like unit;
- (k) “genuine” means free of forgery or counterfeiting;

(l) "good faith" means honesty in fact in the conduct of the transaction concerned;

(m) "holder" means a person in possession of a security issued or endorsed to him or to bearer or in blank;

(n) "issuer" means a body corporate,

(i) that is required by this Act to maintain a securities register,

(ii) that directly or indirectly creates fractional interests in its rights or property and that issues securities as evidence of such fractional interests,

(iii) that places or authorizes the placing of its name on a security, otherwise than as an authenticating trustee, registrar or transfer agent, to evidence that it represents a share, participation or other interest in its property or in an enterprise or to evidence its duty to perform an obligation evidenced by the security, or

(iv) that becomes responsible for or in place of any other person described as an issuer in this Part;

(o) "noted conspicuously" and "appearing conspicuously" mean written in such a way that the person against whom words so noted or appearing are to operate ought reasonably to notice them;

(p) "order form" when applied to a security means a security that is payable to the order or assigns of any person therein specified with reasonable certainty or to such person or such person's order;

(q) "overissue" means the issue of securities in excess of any maximum number of securities that the issuer is authorized by its articles or a trust indenture to issue;

(r) "proper form" means regular on its face with regard to all formal matters;

(s) "purchaser" means a person who takes by sale, mortgage, hypothec, pledge, issue, reissue, gift or any other voluntary transaction creating an interest in a security;

(t) "registered form" when applied to a security means a security that,

- (i) specifies a person entitled to the security or to the rights it evidences, and the transfer of which is capable of being recorded in a securities register, or
 - (ii) bears a statement that it is in registered form;
- (u) “security” or “security certificate” means an instrument issued by a body corporate that is,
- (i) in bearer, order or registered form,
 - (ii) of a type commonly dealt in upon securities exchanges or markets or commonly recognized in any area in which it is issued or dealt in as a medium for investment,
 - (iii) one of a class or series or by its terms divisible into a class or series of instruments, and
 - (iv) evidence of a share, participation or other interest in or obligation of the body corporate;
- (v) “transfer” includes transmission by operation of law;
- (w) “trust indenture” means a trust indenture as defined in Part IV;
- (x) “unauthorized” when used with reference to a signature or an endorsement means one made without authority, actual, apparent or of any other type and includes a forgery;
- (y) “valid” means issued in accordance with the applicable law and the articles of the issuer or validated under section 57. R.S.O. 1970, c. 53, s. 63 (1); 1971, c. 26, s. 16; 1972, c. 138, s. 18, *amended*.

Application of
this part
R.S.C. 1952,
c. 15

(2) This Part does not apply to a promissory note or bill of exchange to which the *Bills of Exchange Act (Canada)* applies. R.S.O. 1970, c. 25, s. 63 (2).

Security as
negotiable
instrument

(3) Except where its transfer is restricted and noted on a security in accordance with subsection 3 of section 55, a security is a negotiable instrument. *New*.

Share
certificates

53.—(1) Every security holder is entitled at his option to a security certificate in respect of the securities held by him that complies with this Act or to a non-transferable written acknowledgement of his right to obtain a security certificate from a corporation in respect of the securities of the corporation held by

him, but the corporation is not bound to issue more than one security certificate in respect of a security or securities held jointly by several persons, and delivery of a security certificate to one of several joint security holders is sufficient delivery to all.

(2) A corporation may charge a fee of not more than \$3 for a security certificate issued in respect of a transfer. R.S.O. 1970, c. 53, s. 49, *amended*. Fee

54.—(1) A security certificate shall be signed manually by at least one director or officer of the corporation or by or on behalf of a registrar, transfer agent, branch transfer agent or issuing or other authenticating agent of the corporation, or by a trustee who certifies it in accordance with a trust indenture, and any additional signatures required on a security certificate may be printed or otherwise mechanically reproduced thereon. Signing of
share
certificates

(2) If a security certificate contains a printed or mechanically reproduced signature of a person, the corporation may issue the security certificate notwithstanding that the person has ceased to be a director or an officer of the corporation, and the security certificate is as valid as if he were a director or an officer at the date of its issue. Idem

(3) Notwithstanding subsection 1, a manual signature is not required on, Where manual
signature not
required

(a) a promissory note that is not issued under a trust indenture;

(b) a scrip certificate;

(c) a security certificate representing a fractional share; or

(d) a warrant. R.S.O. 1970, c. 53, s. 50, *amended*.

55.—(1) A corporation shall state upon the face of each share certificate issued by it, Contents of
share
certificate

(a) the name of the corporation and the words "Incorporated under the law of the Province of Ontario" or words of like effect;

(b) the name of the person to whom it was issued; and

- (c) the number and class of shares and the designation of any series that the certificate represents.

Idem

(2) Where a corporation is authorized to issue shares of more than one class or series, the corporation shall legibly state on each share certificate issued by it,

- (a) the rights, privileges, restrictions and conditions attached to the shares of each class and series that exists when the share certificate is issued; or
- (b) that the class or series of shares that it represents has rights, privileges, restrictions or conditions attached thereto and that the corporation will furnish to a shareholder, on demand and without fee, a full copy of the text of,
 - (i) the rights, privileges, restrictions and conditions attached to that share and to each class authorized to be issued and to each series in so far as the same have been fixed by the directors, and
 - (ii) the authority of the directors to fix the rights, privileges, restrictions and conditions of subsequent series, if applicable. R.S.O. 1970, c. 53, s. 51 (1, 2), *amended*.

Where restriction, lien, etc., ineffective

(3) Where a share certificate issued by a corporation or by a body corporate before the body corporate was continued under section 178 is, or becomes, subject to,

- (a) a restriction on its transfer;
- (b) a lien in favour of the corporation;
- (c) a unanimous shareholder agreement; or
- (d) an endorsement under subsection 11 of section 183,

the restriction, lien, agreement or endorsement is ineffective against a transferee of the share who has no actual knowledge of it, unless it or a reference to it is noted conspicuously on the share certificate.

Notice of restriction

(4) If a body corporate continued under section 178 has outstanding a share certificate issued prior to the date of the certificate of continuance and if the words "private company" appear on the certificate, those words are deemed to be a notice of a restriction, lien, agreement or endorsement for the purpose of subsection 3.

(5) Where a corporation was incorporated as a private company under *The Corporations Act*, or any predecessor thereof, before the 1st day of January, 1971, the words "private company" appearing conspicuously on the face of a share certificate issued before the 1st day of January, 1971 shall be deemed to be notice of a restriction on the transfer of the share for the purpose of subsection 3. R.S.O. 1970, c. 53, s. 72, *amended*.

Idem
R.S.O. 1970,
c. 89

(6) A share certificate issued,

Par value
share
certificate

(a) prior to the day this Act comes into force by a corporation; or

(b) prior to the date of the certificate of continuance by a body corporate continued under section 178,

does not contravene this Act merely because the certificate refers to the share or shares represented thereby as having a nominal or par value.

(7) Where a share certificate issued by a corporation contains the statement mentioned in clause *b* of subsection 2, the corporation shall furnish to a shareholder on demand and without charge a full copy of the text of,

Information to
be furnished
by corporation

(a) the rights, privileges, restrictions and conditions attached to that class authorized to be issued and to that series in so far as the same have been fixed by the directors; and

(b) the authority of the directors to fix the rights, privileges, restrictions and conditions of subsequent series, if applicable. 1971, c. 26, s. 13, *part, amended*.

56.—(1) A corporation may issue a certificate for a fractional share or may issue in place thereof scrip certificates in bearer form that entitle the holder to receive a certificate for a full share by exchanging scrip certificates aggregating a full share.

Certificate for
fractional
share or
scrip
certificates

(2) The directors may attach conditions to any scrip certificates issued by a corporation, including conditions that,

Scrip
certificates

(a) the scrip certificates become void if not exchanged for a certificate representing a full share before a specified date; and

(b) any shares for which such scrip certificates are exchangeable may, notwithstanding any pre-emptive right, be issued by the corporation to any person and the proceeds thereof distributed rateably to the holders of the scrip certificates.

(3) A holder of a fractional share issued by a corporation is not entitled to exercise voting rights or to receive a dividend in respect of the fractional share unless,

Rights of
holder of
fractional share

- (a) the fractional share results from a consolidation of shares; or
- (b) the articles of the corporation otherwise provide.

Rights of
holder of
scrip certificate

(4) A holder of a scrip certificate is not entitled to exercise voting rights or to receive a dividend in respect of the scrip certificate. R.S.O. 1970, c. 53, s. 52, *amended*.

Overissue

57.—(1) The provisions of this Act that validate a security or compel its issue or reissue do not apply to the extent that validation, issue or reissue would result in overissue, but,

- (a) if an identical security that does not constitute an over-issue is reasonably available for purchase, the person entitled to issue or validation may compel the issuer to purchase and deliver such a security to him against surrender of the security, if any, that he holds; or
- (b) if a security is not so available for purchase, the person entitled to issue or validation may recover from the issuer the price he or the last purchaser for value paid for it with interest from the date of his demand. R.S.O. 1970, c. 53, s. 65 (2).

Validation of
overissue

(2) When an issuer subsequently amends its articles or a trust indenture to which it is a party to increase any maximum number of securities to a number equal to or in excess of the maximum number of securities previously authorized plus the amount of the securities overissued, the securities so overissued, and any act taken by any person in reliance upon the validity of such over-issued securities, are valid from the date of their issue.

Non-application
of ss. 30, 31,
32, 35

(3) A purchase or payment by an issuer under subsection 1 is not a purchase or payment to which section 30, 31, 32 or 35 applies. *New*.

Evidence

58. In an action on a security,

- (a) unless specifically denied in the pleadings, each signature on the security or in a necessary endorsement is admitted;
- (b) a signature on the security is presumed to be genuine and authorized but, if the effectiveness of the signature is put in issue, the burden of establishing that it is genuine and authorized is on the party claiming under the signature;
- (c) if a signature is admitted or established, production of the instrument entitles a holder to recover on it unless the defendant establishes a defence or a defect going to the validity of the security; and
- (d) if the defendant establishes that a defence or defect exists, the plaintiff has the burden of establishing that

the defence or defect is ineffective against him or some person under whom he claims. R.S.O. 1970, c. 53, s. 66, *amended*.

59.—(1) The validity of a security and the rights and duties with respect to registration or transfer of a security of an issuer that is a corporation or a body corporate incorporated under the laws of Ontario are governed by this Act and the laws of Ontario. Selection of laws

(2) The validity of a security and the rights and duties with respect to registration or transfer of a security of an issuer that is a body corporate other than a corporation or a body corporate incorporated under the laws of Ontario are governed by the law, including the conflict of law rules, of the jurisdiction in which the body corporate was incorporated. R.S.O. 1970, c. 53, s. 67, *amended*. Idem

60.—(1) Unless otherwise agreed and subject to any applicable law, regulation or stock exchange rule, a person required to deliver securities may deliver any security of the specified issue in bearer form or registered in the name of the transferee or endorsed to him or in blank. Form of transfer

(2) Where the buyer fails to pay the price as it comes due under a contract of sale, the seller may recover the price, Default in payment

(a) of any security accepted by the buyer; and

(b) of any security not accepted by the buyer if its resale would be unduly burdensome or there is no readily available market,

but resort to the remedy herein provided for shall not be construed so as to affect or limit any rights or remedies under applicable law. R.S.O. 1970, c. 53, s. 68; 1972, c. 138, s. 19, *amended*.

61.—(1) The obligations and defences of an issuer apply to a guarantor of a security to the extent of his guarantee whether or not his obligation is noted on the security. Position of issuer re guarantor

(2) The person on whose behalf a register of transfers is maintained is an issuer for the purposes of the registration of a transfer under sections 85 to 88. *New*. Issuer

62.—(1) Even against a purchaser for value and without notice of a defect going to the validity of a security, the terms of a security include those stated on the security and those incorporated therein by reference to another instrument, statute, rule, regulation or order to the extent that the terms so referred to do not conflict with the stated terms, but such a reference is not of itself notice to a purchaser for value of a defect going to the validity of Notice of terms of security

the security, notwithstanding that the security expressly states that a person accepting it admits such notice.

Validity of
security

(2) A security is valid in the hands of a purchaser for value without notice of any defect going to its validity.

Defence of
issuer

(3) Except as provided in section 64, the fact that a security is not genuine is a complete defence even against a *bona fide* purchaser.

Idem

(4) All other defences of the issuer including non-delivery and conditional delivery of the security are ineffective against a *bona fide* purchaser. R.S.O. 1970, c. 53, s. 70 (1-3), *amended*.

Idem

(5) Nothing in this section shall be construed to affect the right of a party to a "when, as and if issued" or a "when distributed" contract to cancel the contract in the event of a material change in the character of the security that is the subject of the contract or in the plan or arrangement under which such security is to be issued or distributed. R.S.O. 1970, c. 53, s. 70 (4).

Notice of
defect

63.—(1) After an act or event that creates a right to immediate performance of the principal obligation evidenced by the security or that sets a date on or after which the security is to be presented or surrendered for redemption or exchange, a purchaser is deemed to have notice of any defect in its issue or any defence of the issuer,

(a) if the act or event requires the payment of money or the delivery of securities or both on presentation or surrender of the security and such funds or securities are available on the date set for payment or exchange and he takes the security more than one year after that date; and

(b) if the act or event is not one to which clause *a* applies and he takes the security more than two years after the date set for surrender or presentation or the date on which such performance became due.

Revoked call
for redemption
excepted

(2) Subsection 1 does not apply to a call for redemption that has been revoked. R.S.O. 1970, c. 53, s. 71, *amended*.

Unauthorized
signatures on
issue

64. An unauthorized signature placed on a security before or in the course of issue is ineffective, except that the signature is effective in favour of a *bona fide* purchaser if the signing has been done by,

(a) an authenticating trustee, registrar, transfer agent or other person entrusted by the issuer with the signing of the security or of similar securities, or their immediate preparation for signing; or

- (b) an employee of the issuer or of a person referred to in clause *a* who in the ordinary course of his duties handles the security. R.S.O. 1970, c. 53, s. 73.

65.—(1) Where a security contains the signatures necessary to its issue or transfer but is incomplete in any other respect, Completion of blanks

- (a) any person may complete it by filling in the blanks in accordance with his authority; and
- (b) notwithstanding that the blanks are incorrectly filled in, the security as completed is enforceable by a purchaser who took it for value and without notice of such incorrectness. R.S.O. 1970, c. 53, s. 74 (1), *amended*.

(2) A completed security that has been improperly altered, even if fraudulently altered, remains enforceable but only according to its original terms. R.S.O. 1970, c. 53, s. 74 (2). Improper alteration

66.—(1) An issuer or a trustee defined in subsection 1 of section 45 may, subject to sections 94, 95 and 99, treat the registered holder of a security as the person exclusively entitled to vote, to receive notices, to receive any interest, dividend or other payments in respect of the security, and otherwise to exercise all the rights and powers of a holder of the security. R.S.O. 1970, c. 53, s. 75 (1), *amended*. Effect of registration

(2) Notwithstanding subsection 1, an issuer whose articles restrict the right to transfer its securities shall, and any other issuer may, treat a person referred to in clause *a*, *b* or *c* as a registered security holder entitled to exercise all the rights of the security holder he represents, if that person furnishes evidence as described in subsection 3 of section 86 to the issuer that he is, Representatives, etc., may exercise rights of security holder

- (a) the executor, administrator, heir or legal representative of the heirs, of the estate of a deceased security holder;
- (b) a guardian, committee, trustee, curator or tutor representing a registered security holder who is an infant, an incompetent person or a missing person; or
- (c) a liquidator of, or a trustee in bankruptcy for, a registered security holder.

(3) If a person upon whom the ownership of a security devolves by operation of law, other than a person referred to in subsection 2, furnishes proof of his authority to exercise rights or privileges in respect of a security of the issuer that is not registered in his name, the issuer shall treat the person as entitled to exercise those rights or privileges. Rights where ownership devolves by operation of law

Corporation
has no duty to
enforce
performance

(4) An issuer is not required to inquire into the existence of, or see to the performance or observance of, any duty owed to a third person by a registered holder of any of its securities or by anyone whom it treats, as permitted or required by this section, as the owner or registered holder thereof.

Repudiation by
infant

(5) If an infant exercises any rights of ownership in the securities of an issuer, no subsequent repudiation or avoidance is effective against the issuer.

Joint
holders

(6) Where a security is issued to several persons as joint holders, upon satisfactory proof of the death of one joint holder, the issuer may treat the surviving joint holders as owner of the security.

Registration of
executor, etc.

(7) Subject to any applicable law of Canada or a province of Canada relating to the collection of taxes, a person referred to in clause *a* of subsection 2 is entitled to become a registered holder or to designate a registered holder, if he deposits with the issuer or its transfer agent,

- (a) the original grant of probate or of letters of administration, or a copy thereof certified to be a true copy by,
 - (i) the court that granted the probate or letters of administration,
 - (ii) a trust company incorporated under the laws of Canada or a province, or
 - (iii) a lawyer or notary acting on behalf of the person; or
- (b) in the case of transmission by notarial will in the Province of Quebec, a copy thereof authenticated under the laws of that Province,

together with,

- (c) an affidavit or declaration of transmission made by the person stating the particulars of the transmission;
- (d) the security certificate that was owned by the deceased holder,
 - (i) in case of a transfer to the person, with or without the endorsement of that person, and
 - (ii) in case of a transfer to any other person, endorsed in accordance with section 72; and

(e) any assurance the issuer may require under section 86.

(8) Notwithstanding subsection 7, if the laws of the jurisdiction ^{Idem} governing the transmission of a security of a deceased holder do not require a grant of probate or of letters of administration in respect of the transmission, a legal representative of the deceased holder is entitled, subject to any applicable law of Canada or a province of Canada relating to the collection of taxes, to become a registered holder or to designate a registered holder, if he deposits with the issuer or its transfer agent,

(a) the security certificate that was owned by the deceased holder; and

(b) reasonable proof of the governing laws, the deceased holder's interest in the security and the right of the legal representative or the person he designates to become the registered holder.

(9) Deposit of the documents required by subsection 7 or 8 ^{Recording in security register} empowers an issuer or its transfer agent to record in a securities register the transmission of a security from the deceased holder to a person referred to in clause *a* of subsection 2 or to such person as that person may designate and, thereafter, to treat the person who thus becomes a registered holder as the owner of those securities. *New.*

67.—(1) A person placing his signature upon a security as ^{Warranties in issue} authenticating trustee, registrar or transfer agent warrants to a purchaser for value without notice of the particular defect that,

(a) the security is genuine and in proper form;

(b) his own participation in the issue of the security is within his capacity and within the scope of the authorization received by him from the issuer; and

(c) he has reasonable grounds to believe that the security is in the form and within the amount the issuer is authorized to issue. 1971, c. 26, s. 17.

(2) Unless otherwise agreed, a person referred to in subsection 1 ^{Idem} does not assume any further liability for the validity of a security. R.S.O. 1970, c. 53, s. 76 (2).

68.—(1) Upon delivery of a security, the purchaser acquires ^{Rights acquired by purchasers} the rights in the security that his transferor had or had actual authority to convey except that a purchaser who has himself been

a party to any fraud or illegality affecting the security or who as a prior holder had notice of an adverse claim cannot improve his position by taking from a later *bona fide* purchaser.

Bona fide
purchaser

(2) A *bona fide* purchaser in addition to acquiring the rights of a purchaser also acquires the security free of any adverse claim.

Limited
interest

(3) A purchaser of a limited interest acquires rights only to the extent of the interest purchased. R.S.O. 1970, c. 53, s. 77.

Notice of
adverse claim

69.—(1) A purchaser, including a broker for a seller or purchaser, of a security is deemed to have notice of an adverse claim if,

- (a) the security has been endorsed “for collection” or “for surrender” or for some other purpose not involving transfer; or
- (b) the security has on it an unambiguous statement that it is the property of a person other than the transferor, but the mere writing of a name on a security is not such a statement. R.S.O. 1970, c. 53, s. 78 (1), *amended*.

Idem

(2) Notwithstanding that a purchaser, including a broker for a seller or purchaser, has notice that a security is held for a third person or is registered in the name of or endorsed by a fiduciary, he has no duty to inquire into the rightfulness of the transfer and has no notice of an adverse claim, except that where a purchaser knows that the consideration is to be used for, or that the transaction is for, the personal benefit of the fiduciary or is otherwise in breach of the fiduciary’s duty, the purchaser is deemed to have notice of an adverse claim. R.S.O. 1970, c. 53, s. 78 (2), *amended*.

Idem

(3) An event that creates a right to immediate performance of the principal obligation evidenced by a security or that sets a date on or after which the security is to be presented or surrendered for redemption or exchange is not of itself notice of an adverse claim, except in the case of a purchase,

- (a) after one year from any date set for such presentation or surrender for redemption or exchange; or
- (b) after six months from any date for payment of money against presentation or surrender of the security if funds are available for payment on that date. R.S.O. 1970, c. 53, s. 78 (3).

Warranties on
presentment

70.—(1) A person who presents a security for registration of transfer or for payment or exchange warrants to the issuer that he

is entitled to the registration, payment or exchange, except that a *bona fide* purchaser who receives a new, reissued or reregistered security on registration of transfer warrants only that he has no knowledge of any unauthorized signature in a necessary endorsement.

(2) A person by transferring a security to a purchaser for value warrants only that, Warranties on transfer

- (a) the transfer is effective and rightful;
- (b) the security is genuine and has not been materially altered; and
- (c) he knows of nothing that might impair the validity of the security.

(3) Where a security is delivered by an intermediary known by the purchaser to be entrusted with delivery of the security on behalf of another or with collection of a draft or other claim to be collected against such delivery, the intermediary by such delivery warrants only his own good faith and authority even if he has purchased or made advances against the draft or other claim to be collected against the delivery. Warranties by intermediary

(4) A pledgee or other holder for purposes of security who redelivers a security received, or after payment and on order of the debtor delivers that security to a third person, gives only the warranties of an intermediary under subsection 3. Warranties of pledgee

(5) A broker gives to his customer, to the issuer or to a purchaser, as the case may be, the warranties provided in this section and has the rights and privileges of a purchaser under this section, and those warranties of and in favour of the broker acting as an agent are in addition to warranties given by his customer and warranties given in favour of his customer. R.S.O. 1970, c. 53, s. 79, *amended*. Warranties of broker

71. Where a security in registered form has been delivered to a purchaser without a necessary endorsement, he may become a *bona fide* purchaser only as of the time the endorsement is supplied, but against the transferor the transfer is complete upon delivery and the purchaser has a specifically enforceable right to have any necessary endorsement supplied. R.S.O. 1970, c. 53, s. 80. Absence of endorsement

72.—(1) An endorsement of a security in registered form is made when an appropriate person signs on the security or on a separate document an assignment or transfer of the security or a power to assign or transfer it or when the signature of the person is written without more upon the back of the security. Endorsement

Idem	<p>(2) An endorsement of a security may be,</p> <p>(a) in blank, including to bearer; or</p> <p>(b) a special endorsement, specifying the person to whom the security is to be transferred or who has the power to transfer it,</p> <p>and a holder may convert an endorsement in blank into a special endorsement.</p>
Obligation of endorser	<p>(3) Unless otherwise agreed, the endorser by his endorsement assumes no obligation that the security will be honoured by the issuer.</p>
Partial endorsement	<p>(4) An endorsement purporting to be only of part of a security representing units intended by the issuer to be separately transferable is effective to the extent of the endorsement.</p>
Appropriate person	<p>(5) Whether the person who has made an endorsement is appropriate shall be determined as of the date the endorsement was made and an endorsement by such person does not become unauthorized for the purposes of this Act by virtue of any subsequent change of circumstances.</p>
Improper endorsement by fiduciary	<p>(6) Failure of a fiduciary to comply with a controlling instrument or with the law applicable to the fiduciary relationship, including any law requiring the fiduciary to obtain court approval of the transfer, does not render his endorsement unauthorized for the purposes of this Act. R.S.O. 1970, c. 53, s. 81.</p>
Delivery necessary	<p>73. An endorsement of a security whether special or in blank does not constitute a transfer until delivery of the security on which it appears, or if the endorsement is on a separate document until the delivery of both the document and the security. R.S.O. 1970, c. 53, s. 82.</p>
Endorsement of security in bearer form	<p>74. An endorsement of a security in bearer form may give notice of an adverse claim under section 69 but does not otherwise affect any right to registration that the holder has. <i>New.</i></p>
Effect of unauthorized endorsement	<p>75.—(1) The owner of a security may assert the ineffectiveness of an endorsement against the issuer or any purchaser, other than a <i>bona fide</i> purchaser who received a new, reissued or reregistered security on registration of transfer, unless the owner,</p> <p>(a) has ratified an unauthorized endorsement of the security; or</p> <p>(b) is otherwise precluded from impugning the effectiveness of an unauthorized endorsement.</p>

(2) An issuer who registers the transfer of a security upon an unauthorized endorsement is liable for improper registration. R.S.O. 1970, c. 53, s. 83, *amended*. Idem

76.—(1) Every person who guarantees a signature of an endorser of a security warrants that at the time of signing, Guarantee of signature

(a) the signature was genuine;

(b) the signer was an appropriate person to endorse; and

(c) the signer had legal capacity to sign,

but the guarantor does not otherwise warrant the rightfulness of the particular transfer.

(2) Any person may guarantee an endorsement of a security and by so doing warrants not only the signature but also the rightfulness of the particular transfer in all respects. Guarantee of endorsement

(3) No issuer may require a guarantee of endorsement as a condition to registration of transfer. Idem

(4) The warranties referred to in this section are made to any person taking or dealing with the security in reliance on the guarantee and the guarantor is liable to such person for any loss resulting from breach of warranty. R.S.O. 1970, c. 53, s. 84, *amended*. Liability of guarantor

77.—(1) Delivery to a purchaser occurs when,

What constitutes delivery

(a) he or a person designated by him acquires possession of a security;

(b) his broker acquires possession of a security specially endorsed or issued in the name of the purchaser;

(c) his broker sends him confirmation of the purchase and the broker in his records identifies a specific security in the broker's possession as belonging to the purchaser;

(d) with respect to an identified security to be delivered while still in the possession of a third person, that person acknowledges that he holds it for the purchaser; or

(e) appropriate entries in the records of a clearing corporation are made under section 84.

(2) A purchaser is the owner of a security held for him by his broker, but is not the holder except as specified in clauses b, c and e of subsection 1. What constitutes ownership

Idem

(3) If a security is part of a fungible bulk, the purchaser is the owner of a proportionate property interest in the fungible bulk.

Notice of
adverse claim
after delivery

(4) Notice of an adverse claim received by a broker or by a purchaser after the broker takes delivery as a holder for value is not effective against the broker or the purchaser except that as between the broker and the purchaser, the purchaser may demand delivery of an equivalent security as to which no notice of an adverse claim has been received. R.S.O. 1970, c. 53, s. 85, *amended*.

Duty of seller
to deliver

78.—(1) Unless otherwise agreed where a sale of a security is made on a stock exchange recognized for the purposes of this Part by the Commission or otherwise through brokers,

- (a) the selling customer fulfils his duty to deliver when he places such a security in the possession of the selling broker or of a person designated by the broker or, if requested, causes an acknowledgement to be made to the selling broker that it is held for him; and
- (b) the selling broker including a correspondent broker acting for a selling customer fulfils his duty to deliver by placing the security or a like security in the possession of the buying broker or a person designated by him or by effecting clearance of the sale in accordance with the rules of the recognized stock exchange on which the transaction took place.

Idem

(2) Except as otherwise provided in this section and unless otherwise agreed, a transferor's duty to deliver a security under a contract of purchase is not fulfilled until he places the security in form to be negotiated by the purchaser in the possession of the purchaser or of a person designated by him or at the purchaser's request causes an acknowledgement to be made to the purchaser that it is held for him.

Idem

(3) A sale to a broker purchasing for his own account is subject to subsection 2 and not subsection 1, unless the sale is made on a recognized stock exchange. R.S.O. 1970, c. 53, s. 86, *amended*.

Action for
wrongful
transfer

79.—(1) A person against whom the transfer of a security is wrongful for any reason, including his incapacity, may against anyone except a *bona fide* purchaser reclaim possession of the security or obtain possession of any new security evidencing all or part of the same rights or claim damages.

Idem

(2) If the transfer of a security is wrongful by reason of an unauthorized endorsement, the owner may reclaim possession of the security or a replacing security even from a *bona fide*

purchaser if the ineffectiveness of the purported endorsement may be asserted against such purchaser under section 75.

(3) The right to reclaim possession of a security may be specifically enforced, its transfer may be restrained and the security may be impounded pending litigation. R.S.O. 1970, c. 53, s. 87, *amended*. Specific performance and injunction

80.—(1) Unless otherwise agreed, a transferor shall on demand supply his purchaser with proof of his authority to transfer or with any other requisite that is necessary to obtain registration of the transfer of a security, but if the transfer is not for value a transferor need not do so unless the purchaser pays the reasonable and necessary costs of the proof and transfer. Transferor's duty to provide requisites for registration of transfer

(2) If the transferor fails to comply with a demand under subsection 1 within a reasonable time, the purchaser may reject or rescind the transfer. R.S.O. 1970, c. 53, s. 88, *amended*. Effect of failure

81. No seizure of a security or other interest evidenced thereby is effective until the person making the seizure obtains possession of the security. *New*. When seizure effective

82. An agent or bailee who in good faith, including observance of reasonable commercial standards if he is in the business of buying, selling or otherwise dealing with securities, has received securities and sold, pledged or delivered them according to the instructions of his principal is not liable for conversion or for participation in breach of fiduciary duty although the principal has no right to dispose of them. R.S.O. 1970, c. 53, s. 89. Transfer by agent in good faith not conversion

83. A contract for the sale of securities is not enforceable by way of action or defence unless, Contract for sale

- (a) there is some writing signed by the party against whom enforcement is sought or by his authorized agent or broker sufficient to indicate that a contract has been made for sale of a stated quantity of described securities at a defined or stated price;
- (b) delivery of the security has been accepted or payment has been made, but the contract is enforceable under this provision only to the extent of such delivery or payment;
- (c) within a reasonable time a writing in confirmation of the sale or purchase and sufficient against the sender under clause *a* has been received by the party against whom enforcement is sought and he has failed to send written objection to its contents within a reasonable time after its receipt; or

- (d) the party against whom enforcement is sought admits in his pleading, testimony or otherwise in court that a contract was made for sale of a stated quantity of described securities at a defined or stated price. R.S.O. 1970, c. 53, s. 90.

Transfer
through
clearing house

84.—(1) If a security,

- (a) is in the custody of a clearing corporation or of a custodian or nominee of either, subject to the instructions of the clearing corporation;
- (b) is in bearer form or endorsed in blank by an appropriate person or registered in the name of the clearing corporation or custodian or a nominee of either; and
- (c) is shown on the account of a transferor or pledgor in the records of the clearing corporation,

then, in addition to other methods, a transfer or pledge of the security or any interest therein may be effected by the making of appropriate entries in the records of the clearing corporation, reducing the account of the transferor or pledgor and increasing the account of the transferee or pledgee by the amount of the obligation or the number of shares or rights transferred or pledged.

Interest in
fungible bulk

(2) Under this section, entries may be in respect of like securities or interests therein as part of a fungible bulk and may refer merely to a quantity of a particular security without reference to the name of the registered owner, certificate or bond number or the like and, in appropriate cases, may be on a net basis taking into account other transfers or pledges of the same security.

Constructive
endorsement
and delivery

(3) A transfer or pledge under this section has the effect of a delivery of a security in bearer form or duly endorsed in blank representing the amount of the obligation or the number of shares or rights transferred or pledged.

Idem

(4) If a pledge or the creation of a security interest is intended, the making of entries has the effect of a taking of delivery by the pledgee or a secured party and the pledgee or secured party shall be deemed to have taken possession for all purposes including the purposes of *The Personal Property Security Act*.

R.S.O. 1970,
c. 344

Holder

(5) A transferee or pledgee under this section is a holder.

Not
registration

(6) A transfer or pledge under this section does not constitute a registration of transfer under sections 85 to 89.

Error in
records

(7) That entries made in the records of the clearing corporation as provided in subsection 1 are not appropriate does not affect the validity or effect of the entries nor the liabilities or obligations

of the clearing corporation to any person adversely affected thereby.

(8) For the purposes of this section, if a clearing corporation or its nominee is registered in the securities register of a body corporate as the owner of a share, participation or other interest in or obligation of the body corporate, but such body corporate has not issued a security certificate in respect thereof, Where security certificate not issued

- (a) the clearing corporation or its nominee shall be deemed to have custody of a security certificate in respect of such share, participation or other interest in or obligation of the body corporate; and
- (b) such security certificate shall be deemed to be registered in the name of the clearing corporation or its nominee, as the case may be. R.S.O. 1970, c. 53, s. 91, *amended*.

85.—(1) Where a security in registered form is presented for transfer, the issuer shall register the transfer if, Duty of issuer to register transfer

- (a) the security is endorsed by the appropriate person;
- (b) reasonable assurance is given that that endorsement is genuine and effective;
- (c) the issuer has no duty to inquire into adverse claims or has discharged any such duty;
- (d) any applicable law of Canada or a province of Canada relating to the collection of taxes has been complied with;
- (e) the transfer is rightful or is to a *bonafide* purchaser; and
- (f) any fee referred to in subsection 2 of section 53 has been paid.

(2) Where an issuer has a duty to register a transfer of a security, the issuer is liable to the person presenting it for registration or his principal for loss resulting from any unreasonable delay in registration or from failure or refusal to register the transfer. R.S.O. 1970, c. 53, s. 92, *amended*. Liability for undue delay

86.—(1) For the purpose of obtaining reasonable assurance that each necessary endorsement required by section 72 is genuine and effective, the issuer may require a guarantee of the signature of the person endorsing or, where such guarantee is lacking, Assurances required by issuer

- (a) if the endorsement is by an agent, reasonable assurance of authority to sign;
- (b) if the endorsement is by a fiduciary or a successor on whom title or control vests on the death of the holder, appropriate evidence of appointment or incumbency;

- (c) if there is more than one fiduciary or successor, reasonable assurance that all who are required to sign have done so; and
- (d) if the endorsement is by a person other than by a person mentioned in this section, assurance appropriate to the case equivalent as nearly as may be to those required by this section.

Sufficiency of
guarantee

(2) A "guarantee of the signature" in subsection 1 means a guarantee signed by or on behalf of a person reasonably believed by the issuer to be responsible, and the issuer may adopt reasonable standards with respect to responsibility.

Appropriate
evidence of
appointment or
incumbency

(3) For the purposes of subsection 1, "appropriate evidence of appointment or incumbency" means,

- (a) in the case of a fiduciary appointed by a court, a copy, certified in accordance with subsection 7 of section 66 not more than sixty days before the date the security is presented for transfer, of the order of the court;
- (b) in the case of an estate of the deceased holder of net value less than \$3,000 or if the market value of the securities is less than \$600, proof thereof to the reasonable satisfaction of the issuer; or
- (c) in any other case, a copy of a document showing the appointment or other evidence believed by the issuer to be appropriate.

Where contents
not notice

(4) An issuer is not deemed to have notice of the contents of any document obtained under subsection 3 except to the extent that the contents relate directly to appointment or incumbency.

Notice of
additional
assurances

(5) If an issuer demands assurance additional to that specified in this section for a purpose other than that specified in subsection 3 and obtains a copy of a will, trust or partnership agreement, by-law or similar document, the issuer shall be deemed to have notice of all matters contained therein affecting the transfer. R.S.O.1970, c. 53, s. 93; 1972, c. 138, s. 20, *amended*.

Notice to issuer
of adverse
claim

87.—(1) An issuer to whom a security is presented for registration has a duty to inquire into adverse claims if,

- (a) written notice of an adverse claim is received at a time and in a manner that affords the issuer a reasonable opportunity to act on it before the issue of a new, re-issued or reregistered security and the notice discloses the name and address of the claimant, the registered owner and the issue of which the security is a part;
- (b) the issuer is deemed to have notice of an adverse claim from a document that is obtained under subsection 5 of section 86; or

- (c) the issuer is given written notice by the registered owner that the security is lost, apparently destroyed or wrongfully taken.

(2) An issuer may discharge a duty of inquiry by any reasonable means, including notifying an adverse claimant by registered mail sent to the address furnished by him or, if no such address has been furnished, to his residence or regular place of business, that a security has been presented for registration of transfer by a named person, and that the transfer will be registered unless within thirty days from the date of mailing the notice either,

Discharge of
duty of inquiry

- (a) the issuer is served with a restraining order or other order of a court; or
- (b) the issuer is provided with an indemnity bond sufficient in the issuer's judgment to protect the issuer and any registrar, transfer agent or other agent of the issuer from any loss that may be incurred by any of them as a result of complying with the adverse claim.

(3) Unless an issuer is deemed to have notice of an adverse claim from a document that is obtained under subsection 5 of section 86 or has received notice of an adverse claim under subsection 1, if a security presented for registration is endorsed by the appropriate person, the issuer has no duty to inquire into adverse claims and in particular,

Where no duty
to inquire

- (a) an issuer registering a security in the name of a person who is a fiduciary or who is described as a fiduciary is not bound to inquire into the existence, extent or correct description of the fiduciary relationship and thereafter the issuer may assume without inquiry that the newly registered owner continues to be the fiduciary until the issuer receives written notice that the fiduciary is no longer acting as such with respect to the particular security;
- (b) an issuer registering transfer on an endorsement by a fiduciary has no duty to inquire whether the transfer is made in compliance with the document or with the law of the jurisdiction governing the fiduciary relationship; and
- (c) an issuer is deemed not to have notice of the contents of any court record or any registered document even if the record or document is in the issuer's possession and even if the transfer is made on the endorsement of a fiduciary to the fiduciary himself or to his nominee.

(4) A written notice of adverse claim received by an issuer is effective for twelve months from the date when it was received unless the notice is renewed in writing. R.S.O. 1970, c. 53, s. 94; 1972, c. 138, s. 21, *amended*.

Limitation for
notice

Liability of
issuer

88.—(1) Except as otherwise provided in any applicable law of Canada or any province of Canada relating to the collection of taxes, the issuer is not liable to the owner or any other person who incurs a loss as a result of the registration of a transfer of a security if,

- (a) the necessary endorsements were on or with the security; and
- (b) the issuer had no duty to inquire into adverse claims or had discharged any such duty.

Idem

(2) If an issuer has registered a transfer of a security to a person not entitled to it, the issuer shall deliver on demand a like security to the owner unless,

- (a) subsection 1 applies;
- (b) the owner is precluded by subsection 1 of section 89 from asserting any claim; or
- (c) the delivery would result in overissue, in which case the issuer's liability is governed by section 57. R.S.O. 1970, c. 53, s. 95, *amended*.

Loss, etc.,
of securities

89.—(1) Where a security has been lost, apparently destroyed or wrongfully taken, and the owner fails to notify the issuer of that fact by giving the issuer written notice of his adverse claim within a reasonable time after he knows of the loss, destruction or taking and if the issuer has registered a transfer of the security before receiving such notice, the owner is precluded from asserting against the issuer any claim to a new security.

Replacing
loss, etc., of
securities

(2) Where the owner of a security claims that the security has been lost, apparently destroyed or wrongfully taken, the issuer shall issue a new security in place of the original security if the owner,

- (a) so requests before the issuer has notice that the security has been acquired by a *bona fide* purchaser;
- (b) files with the issuer an indemnity bond sufficient in the issuer's opinion to protect the issuer and any transfer agent, registrar or other agent of the issuer from any loss that it or any of them may suffer by complying with the request to issue a new security; and
- (c) satisfies any other reasonable requirements imposed by the issuer.

(3) If, after the issue of a new security under subsection 2, a *bona fide* purchaser of the original security presents the original security for registration of transfer, the issuer shall register the transfer unless registration would result in overissue, in which case the issuer's liability is governed by section 57. Rights of *bona fide* purchaser

(4) In addition to any rights on an indemnity bond, the issuer may recover a new security issued under subsection 2 from the person to whom it was issued or any person taking under him other than a *bona fide* purchaser. R.S.O. 1970, c. 53, s. 95, *amended*. Rights of issuer

90.—(1) An authenticating trustee, transfer agent, registrar or other agent for an issuer has in respect of the issue, registration of transfer, and cancellation of a security of the issuer, Duty of agents for issuer

- (a) a duty to the issuer and to the holder or owner to exercise good faith and due diligence; and
- (b) the same obligations to the holder or owner of a security and the same rights, privileges and immunities as the issuer. 1972, c. 138, s. 22.

(2) Notice to an authenticating trustee, transfer agent, registrar or other such agent is notice to the issuer with respect to the functions performed by the agent. R.S.O. 1970, c. 53, s. 97 (2). Notice to agents for issuer

PART VI

SHAREHOLDERS

91.—(1) The shareholders of a corporation are not, as shareholders, liable for any act, default, obligation or liability of the corporation except under subsection 5 of section 34, subsection 5 of section 107 and section 241. R.S.O. 1970, c. 53, s. 104, *amended*. Shareholders' liability limited

(2) The provisions of *The Corporations Act* relating to the liability of a holder of shares that are not fully paid and to the enforcement of such liability apply in respect of shares that were not fully paid, Application of R.S.O. 1970, cc. 89, 53

- (a) on the 1st day of January, 1971, in the case of shares of a corporation that then became subject to *The Business Corporations Act*; or
- (b) on the day upon which any other body corporate was continued under *The Business Corporations Act* or under this Act, in the case of shares of such other body corporate. *New*.

Place of
meetings

92. Subject to the articles and any unanimous shareholder agreement, a meeting of shareholders of a corporation shall be held at such place in or outside Ontario as the directors determine or, in the absence of such a determination, at the place where the registered office of the corporation is located. R.S.O. 1970, c. 53, s. 105, *amended*.

Shareholder
meetings

93. Subject to subsection 1 of section 103, the directors of a corporation,

- (a) shall call an annual meeting of shareholders not later than eighteen months after the corporation comes into existence and subsequently not later than fifteen months after holding the last preceding annual meeting; and
- (b) may at any time call a special meeting of shareholders. 1971, c. 26, s. 18, *amended*.

Date for
determining
shareholders

94.—(1) For the purpose of determining shareholders,

- (a) entitled to receive payment of a dividend;
- (b) entitled to participate in a liquidation or distribution; or
- (c) for any other purpose except the right to receive notice of or to vote at a meeting,

the directors may fix in advance a date as the record date for such determination of shareholders, but the record date shall not precede by more than fifty days the particular action to be taken.

Idem

(2) For the purpose of determining shareholders entitled to receive notice of a meeting of shareholders, the directors may fix in advance a date as the record date for such determination of shareholders, but the record date shall not precede by more than fifty days or by less than twenty-one days the date on which the meeting is to be held.

Idem

(3) Where no record date is fixed,

- (a) the record date for the determination of shareholders entitled to receive notice of a meeting of shareholders shall be,
 - (i) at the close of business on the day immediately preceding the day on which the notice is given, or
 - (ii) if no notice is given, the day on which the meeting is held; and

- (b) the record date for the determination of shareholders for any purpose other than to establish a shareholder's right to receive notice of a meeting or to vote shall be at the close of business on the day on which the directors pass the resolution relating thereto.

(4) If a record date is fixed, unless notice of the record date is waived in writing by every holder of a share of the class or series affected whose name is set out in the securities register at the close of business on the day the directors fix the record date, notice thereof shall be given, not less than seven days before the date so fixed, Notice of date

- (a) by advertisement in a newspaper published or distributed in the place where the corporation has its registered office and in each place in Canada where it has a transfer agent or where a transfer of its shares may be recorded; and
- (b) by written notice to each stock exchange in Canada on which the shares of the corporation are listed for trading. 1972, c. 138, s. 27, *amended*.

95.—(1) Notice of the time and place of a meeting of shareholders shall be sent, in the case of an offering corporation, not less than twenty-one days and, in the case of any other corporation, not less than ten days, but, in either case, not more than fifty days, before the meeting, Notice of shareholders meetings

- (a) to each shareholder entitled to vote at the meeting;
- (b) to each director; and
- (c) to the auditor of the corporation.

(2) A notice of a meeting is not required to be sent to shareholders who were not registered on the records of the corporation or its transfer agent on the record date determined under subsection 2 or 3 of section 94, but failure to receive a notice does not deprive a shareholder of the right to vote at the meeting. Idem

(3) If a meeting of shareholders is adjourned for less than thirty days, it is not necessary, unless the by-laws otherwise provide, to give notice of the adjourned meeting other than by announcement at the earliest meeting that is adjourned. Idem

(4) If a meeting of shareholders is adjourned by one or more adjournments for an aggregate of thirty days or more, notice of the adjourned meeting shall be given as for an original meeting but, Idem

unless the meeting is adjourned by one or more adjournments for an aggregate of more than ninety days, subsection 1 of section 110 does not apply.

Special
business

(5) All business transacted at a special meeting of shareholders and all business transacted at an annual meeting of shareholders, except consideration of the minutes of an earlier meeting, the financial statements and auditor's report, election of directors and reappointment of the incumbent auditor, shall be deemed to be special business.

Idem

(6) Notice of a meeting of shareholders at which special business is to be transacted shall state or be accompanied by a statement of,

- (a) the nature of that business in sufficient detail to permit the shareholder to form a reasoned judgment thereon; and
- (b) the text of any special resolution or by-law to be submitted to the meeting. R.S.O. 1970, c. 53, s. 106, *part*; 1972, c. 138, s. 26, *amended*.

Shareholders
meeting

96. Subject to this Act or the articles or by-laws of a corporation or a unanimous shareholder agreement,

- (a) all questions proposed for the consideration of the shareholders shall be determined by the majority of the votes cast and the chairman presiding at the meeting shall not have a second or casting vote in case of an equality of votes;
- (b) the chairman presiding at a meeting of shareholders may, with the consent of the meeting and subject to such conditions as the meeting decides, adjourn the meeting from time to time and from place to place subject to subsections 3 and 4 of section 95; and
- (c) the president or, in his absence, a vice-president who is a director shall preside as chairman at a meeting of shareholders, but, if there is no president or such a vice-president or if at a meeting none of them is present within fifteen minutes after the time appointed for the holding of the meeting, the shareholders present shall choose a person from their number to be the chairman. R.S.O. 1970, c. 53, s. 106 (1), *part*; 1972, c. 138, s. 26.

Waiving
notice

97. A shareholder and any other person entitled to attend a meeting of shareholders may in any manner and at any time waive notice of a meeting of shareholders, and attendance of any such person at a meeting of shareholders is a waiver of notice of the meeting, except where he attends a meeting for the express pur-

pose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called. 1971, c. 26, s. 42, *amended*.

98.—(1) A shareholder entitled to vote at a meeting of shareholders may, Proposal

(a) submit to the corporation notice of a proposal; and

(b) discuss at the meeting any matter in respect of which he would have been entitled to submit a proposal.

(2) Where a corporation receives notice of a proposal and the corporation solicits proxies, it shall set out the proposal in the management information circular required by section 111 or attach the proposal thereto. Circulating proposal

(3) If so requested by a shareholder giving notice of a proposal, the corporation shall include in the management information circular or attach thereto a statement by the shareholder of not more than two hundred words in support of the proposal along with the name and address of the shareholder. Statement in support of proposal

(4) A proposal may include nominations for the election of directors if the proposal is signed by one or more holders of shares representing in the aggregate not less than 5 per cent of the shares or 5 per cent of the shares of a class or series of shares of the corporation entitled to vote at the meeting to which the proposal is to be presented, but this subsection does not preclude nominations being made at a meeting of shareholders. Proposal may include nominations

(5) A corporation is not required to comply with subsections 2 and 3 where, Where subs. 2, 3 do not apply

(a) the proposal is not submitted to the corporation at least sixty days before the anniversary date of the last annual meeting, if the matter is proposed to be raised at an annual meeting, or at least sixty days before a meeting other than the annual meeting, if the matter is proposed to be raised at a meeting other than the annual meeting;

(b) it clearly appears that the proposal is submitted by the shareholder primarily for the purpose of enforcing a personal claim or redressing a personal grievance against the corporation or any of its directors, officers or security holders, or for a purpose that is not related in any significant way to the business or affairs of the corporation;

(c) the corporation, at the shareholder's request, included a proposal in a management information circular relating

to a meeting of shareholders held within two years preceding the receipt of the request, and the shareholder failed to present the proposal, in person or by proxy, at the meeting; or

- (d) substantially the same proposal was submitted to shareholders in a management information circular or a dissident's information circular relating to a meeting of shareholders held within two years preceding the receipt of the shareholder's request and the proposal was defeated.

Where no
liability

- (6) No corporation or person acting on its behalf incurs any liability by reason only of circulating a proposal or statement in compliance with this section.

Where refusal
to circulate
proposal

- (7) Where a corporation refuses to include a proposal in a management information circular, the corporation shall, within ten days after receiving the proposal, send notice to the shareholder submitting the proposal of its intention to omit the proposal from the management information circular and send to him a statement of the reasons for the refusal.

Idem

- (8) Upon the application of a shareholder aggrieved by a corporation's refusal under subsection 7, the court may restrain the holding of the meeting to which the proposal is sought to be presented and make any further order it thinks fit.

Idem

- (9) The corporation or any person aggrieved by a proposal may apply to the court for an order permitting the corporation to omit the proposal from the management information circular, and the court, if it is satisfied that subsection 5 applies, may make such order as it thinks fit.

Idem

- (10) An applicant under subsection 8 or 9 shall give the Director notice of the application and the Director is entitled to appear and be heard in person or by counsel.

Interpre-
tation

- (11) In this section, "proposal" means a matter that a shareholder entitled to vote proposes to raise at a meeting of shareholders. R.S.O. 1970, c. 50, s. 102, *amended*.

List of
shareholders

- 99.—(1)** A corporation shall prepare a list of shareholders entitled to receive notice of a meeting, arranged in alphabetical order and showing the number of shares held by each shareholder, which list shall be prepared,

- (a) if a record date is fixed under subsection 2 of section 94, not later than ten days after such record date; or
- (b) if no record date is fixed,

- (i) at the close of business on the day immediately preceding the day on which notice is given, or
- (ii) where no notice is given, on the day on which the meeting is held.

(2) Where a corporation fixes a record date under subsection 2 of section 94, a person named in the list prepared under clause *a* of subsection 1 is entitled to vote the shares shown opposite his name at the meeting to which the list relates, except to the extent that, ^{Entitlement to vote}

- (a) the person has transferred any of his shares after the record date; and
- (b) the transferee of those shares,
 - (i) produces properly endorsed share certificates, or
 - (ii) otherwise establishes that he owns the shares,

and demands, not later than ten days before the meeting, or such shorter period before the meeting as the by-laws of the corporation may provide, that his name be included in the list before the meeting,

in which case the transferee is entitled to vote his shares at the meeting.

(3) Where a corporation does not fix a record date under subsection 2 of section 94, a person named in a list prepared under clause *b* of subsection 1 is entitled to vote the shares shown opposite his name at the meeting to which the list relates, except to the extent that, ^{Idem}

- (a) the person has transferred any of his shares after the date on which a list referred to in subclause i of clause *b* of subsection 1 is prepared; and
- (b) the transferee of those shares,
 - (i) produces properly endorsed share certificates, or
 - (ii) otherwise establishes that he owns the shares,

and demands not later than ten days before the meeting, or such shorter period before the meeting as the by-laws of the corporation may provide, that his name be included in the list before the meeting,

in which case the transferee is entitled to vote his shares at the meeting.

Examination of list	<p>(4) A shareholder may examine the list of shareholders,</p> <p>(a) during usual business hours at the registered office of the corporation or at the place where its central securities register is maintained; and</p> <p>(b) at the meeting of shareholders for which the list was prepared. <i>New.</i></p>
Quorum	<p>100.—(1) Unless the by-laws otherwise provide, the holders of a majority of the shares entitled to vote at a meeting of shareholders, whether present in person or represented by proxy, constitute a quorum.</p>
Idem	<p>(2) If a quorum is present at the opening of a meeting of shareholders, the shareholders present may, unless the by-laws otherwise provide, proceed with the business of the meeting notwithstanding that a quorum is not present throughout the meeting.</p>
Idem	<p>(3) If a quorum is not present at the time appointed for a meeting of shareholders, or within such reasonable time thereafter as the shareholders present may determine, the shareholders present may adjourn the meeting to a fixed time and place but may not transact any other business.</p>
Where only one shareholder	<p>(4) If a corporation has only one shareholder, or only one holder of any class or series of shares, the shareholder present in person or by proxy constitutes a meeting. <i>New.</i></p>
Voting rights	<p>101.—(1) Unless the articles otherwise provide, each share of a corporation entitles the holder thereof to one vote at a meeting of shareholders.</p>
Representative	<p>(2) Where a body corporate or association is a shareholder of a corporation, the corporation shall recognize any individual authorized by a resolution of the directors or governing body of the body corporate or association to represent it at meetings of shareholders of the corporation. R.S.O. 1970, c. 53, s. 112 (2), <i>amended.</i></p>
Idem	<p>(3) An individual authorized as set out in subsection 2 may exercise on behalf of the body corporate or association he represents all the powers it could exercise if it were an individual shareholder. R.S.O. 1970, c. 53, s. 113 (1), <i>amended.</i></p>
Joint shareholders	<p>(4) Unless the by-laws otherwise provide, where two or more persons hold shares jointly, one of those holders present at a meeting of shareholders may in the absence of the others vote the shares, but if two or more of those persons are present, in person or by proxy, they shall vote as one on the shares jointly held by them. R.S.O. 1970, c. 53, s. 114, <i>amended.</i></p>

102.—(1) Unless the by-laws otherwise provide, voting at a meeting of shareholders shall be by show of hands, except where a ballot is demanded by a shareholder or proxyholder entitled to vote at the meeting. Manner of voting

(2) A shareholder or proxyholder may demand a ballot either before or after any vote by show of hands. Idem

(3) Unless a ballot is demanded, an entry in the minutes of a meeting of shareholders to the effect that the chairman declared a motion to be carried is admissible in evidence as *prima facie* proof of the fact without proof of the number or proportion of the votes recorded in favour of or against the motion. *New.* Entry in minutes

103.—(1) Except where a written statement is submitted by a director under subsection 2 of section 122 or where representations in writing are submitted by an auditor under subsection 6 of section 148, Resolution in lieu of meeting

(a) a resolution in writing signed by all the shareholders entitled to vote on that resolution at a meeting of shareholders is as valid as if it had been passed at a meeting of the shareholders; and

(b) a resolution in writing dealing with all matters required by this Act to be dealt with at a meeting of shareholders, and signed by all the shareholders entitled to vote at that meeting, satisfies all the requirements of this Act relating to that meeting of shareholders.

(2) A copy of every resolution referred to in subsection 1 shall be kept with the minutes of the meetings of shareholders. *R.S.O. 1970, c. 53, s. 23 (1, 2), amended.* Copy of resolution kept with minutes

104.—(1) The holders of not less than 5 per cent of the issued shares of a corporation that carry the right to vote at a meeting sought to be held may requisition the directors to call a meeting of shareholders for the purposes stated in the requisition. Requisition for shareholders meeting

(2) The requisition referred to in subsection 1 shall state the business to be transacted at the meeting and shall be sent to the registered office of the corporation. Idem

(3) Upon receiving the requisition referred to in subsection 1, the directors shall call a meeting of shareholders to transact the business stated in the requisition unless, Duty of directors to call meeting

(a) a record date has been fixed under subsection 2 of section 94 and notice thereof has been given under subsection 4 of section 94;

- (b) the directors have called a meeting of shareholders and have given notice thereof under section 95; or
- (c) the business of the meeting as stated in the requisition includes matters described in clauses *b* to *d* of subsection 5 of section 98.

Where
requisitionist
may call
meeting

(4) If the directors do not within twenty-one days after receiving the requisition referred to in subsection 1 call a meeting, any shareholder who signed the requisition may call the meeting.

Calling of
meeting

(5) A meeting called under this section shall be called as nearly as possible in the manner in which meetings are to be called under the by-laws, this Part and Part VII.

Repayment of
expenses

(6) The corporation shall reimburse the shareholders for the expenses reasonably incurred by them in requisitioning, calling and holding the meeting unless the shareholders have not acted in good faith and in the interest of the shareholders of the corporation generally. R.S.O. 1970, c. 53, s. 109, *amended*.

Requisition by
court

105.—(1) If for any reason it is impracticable to call a meeting of shareholders of a corporation in the manner in which meetings of those shareholders may be called or to conduct the meeting in the manner prescribed by the by-laws, the articles and this Act, or if for any other reason the court thinks fit, the court, upon the application of a director or a shareholder entitled to vote at the meeting, may order a meeting to be called, held and conducted in such manner as the court directs and upon such terms as to security for the costs of holding the meeting or otherwise as the court deems fit.

Power of court

(2) Without restricting the generality of subsection 1, the court may order that the quorum required by the by-laws, the articles or this Act be varied or dispensed with at a meeting called, held and conducted under this section.

Effect of
meeting

(3) A meeting called, held and conducted under this section is for all purposes a meeting of shareholders of the corporation duly called, held and conducted. R.S.O. 1970, c. 53, ss. 110, 111, *amended*.

Application to
court

106.—(1) A corporation, shareholder or director may apply to the court to determine any controversy with respect to an election or appointment of a director or auditor of the corporation.

Idem

(2) Upon an application under this section, the court may make any order it thinks fit including, without limiting the generality of the foregoing,

- (a) an order restraining a director or auditor whose election or appointment is challenged from acting pending determination of the dispute;
- (b) an order declaring the result of the disputed election or appointment;
- (c) an order requiring a new election or appointment and including in the order directions for the management of the business and affairs of the corporation until a new election is held or appointment made; and
- (d) an order determining the voting rights of shareholders and of persons claiming to own shares. *New.*

107.—(1) A written agreement between two or more shareholders may provide that in exercising voting rights the shares held by them shall be voted as therein provided. Agreement between shareholders

(2) A written agreement among all the shareholders of a corporation or among all the shareholders and one or more persons who are not shareholders may restrict in whole or in part the powers of the directors to manage or supervise the management of the business and affairs of the corporation. Idem

(3) Where a person who is the beneficial owner of all the issued shares of a corporation makes a written declaration that restricts in whole or in part the powers of the directors to manage or supervise the management of the business and affairs of a corporation, the declaration shall be deemed to be a unanimous shareholder agreement. Unanimous shareholder agreement

(4) Subject to subsection 3 of section 55, a transferee of shares subject to a unanimous shareholder agreement shall be deemed to be a party to the agreement. Party to unanimous shareholder agreement

(5) A shareholder who is a party to a unanimous shareholder agreement has all the rights, powers, duties and liabilities of a director of the corporation, whether arising under this Act or otherwise, to which the agreement relates to the extent that the agreement restricts the discretion or powers of the directors to manage or supervise the management of the business and affairs of the corporation and the directors are thereby relieved of their duties and liabilities, including any liabilities under section 130, to the same extent. Where shareholder has power, etc., of director

(6) A unanimous shareholder agreement may, without restricting the generality of subsection 2, provide that, Matters that a unanimous shareholder agreement may provide

- (a) any amendment of the unanimous shareholder agreement may be effected in the manner specified therein; and
- (b) in the event that shareholders who are parties to the unanimous shareholder agreement are unable to agree on or resolve any matter pertaining to the agreement, the matter may be referred to arbitration under such procedures and conditions as are specified in the unanimous shareholder agreement. *New.*

PART VII

PROXIES

Interpretation

108. In this Part,

- (a) “dissident’s information circular” means the circular referred to in clause *b* of subsection 1 of section 111;
- (b) “form of proxy” means a written or printed form that, upon completion and execution by or on behalf of a shareholder, becomes a proxy;
- (c) “management information circular” means the circular referred to in clause *a* of subsection 1 of section 111;
- (d) “proxy” means a completed and executed form of proxy by means of which a shareholder has appointed a proxyholder to attend and act on his behalf at a meeting of shareholders;
- (e) “solicit” and “solicitation” include,
 - (i) a request for a proxy whether or not accompanied by or included in a form of proxy,
 - (ii) a request to execute or not to execute a form of proxy or to revoke a proxy,
 - (iii) the sending of a form of proxy or other communication to a shareholder under circumstances reasonably calculated to result in the procurement, withholding or revocation of a proxy, and
 - (iv) the sending of a form of proxy to a shareholder under section 110,

but do not include,

- (v) the sending of a form of proxy in response to an unsolicited request made by or on behalf of a shareholder,
 - (vi) the performance of administrative acts or professional services on behalf of a person soliciting a proxy,
 - (vii) the sending of material under section 48 of *The Securities Act, 1978*, c. 47,
 - (viii) a solicitation by a person in respect of shares of which he is the beneficial owner;
- (f) “solicitation by or on behalf of the management of a corporation” means a solicitation by any person under a resolution or the instructions of the directors of that corporation or a committee of such directors. R.S.O. 1970, c. 53, s. 115, *amended*.

109.—(1) Every shareholder entitled to vote at a meeting of shareholders may by means of a proxy appoint a proxyholder or one or more alternate proxyholders, who need not be shareholders, as his nominee to attend and act at the meeting in the manner, to the extent and with the authority conferred by the proxy. Proxies

(2) A proxy shall be executed by the shareholder or his attorney authorized in writing or, if the shareholder is a body corporate, by an officer or attorney thereof duly authorized and, in the case of a proxy appointing a proxyholder to attend and act at a meeting or meetings of shareholders of an offering corporation, ceases to be valid one year from its date. Execution and termination

(3) Every form of proxy shall comply with the regulations. Form of proxy

(4) A shareholder may revoke a proxy, Revocation

(a) by depositing an instrument in writing executed by him or by his attorney authorized in writing,

(i) at the registered office of the corporation at any time up to and including the last business day preceding the day of the meeting, or any adjournment thereof, at which the proxy is to be used, or

(ii) with the chairman of the meeting on the day of the meeting or an adjournment thereof; or

(b) in any other manner permitted by law.

Time limit
for deposit

(5) The directors may by resolution fix a time not exceeding forty-eight hours, excluding Saturdays and holidays, preceding any meeting or adjourned meeting of shareholders before which time proxies to be used at that meeting must be deposited with the corporation or an agent thereof, and any period of time so fixed shall be specified in the notice calling the meeting. R.S.O. 1970, c. 53, s. 116, *amended*.

Mandatory
solicitation of
proxy

110. The management of an offering corporation shall, concurrently with or prior to sending notice of a meeting of shareholders, send a form of proxy to each shareholder who is entitled to receive notice of the meeting. R.S.O. 1970, c. 53, s. 117; 1972, c. 138, s. 28, *amended*.

Information
circular

111.—(1) No person shall solicit proxies unless,

(a) in the case of solicitation by or on behalf of the management of an offering corporation, a management information circular in prescribed form, either as an appendix to or as a separate document accompanying the notice of the meeting; or

(b) in the case of any other solicitation, a dissident's information circular in prescribed form,

is sent to the auditor of the corporation, to each shareholder whose proxy is solicited and, if clause *b* applies, to the corporation.

Filing copy

(2) A person, upon sending a management or dissident's information circular, shall concurrently file with the Commission,

(a) in the case of a management information circular, a copy thereof together with a copy of the notice of meeting, form of proxy and of any other documents for use in connection with the meeting; and

(b) in the case of a dissident's information circular, a copy thereof together with a copy of the form of proxy and of any other documents for use in connection with the meeting. R.S.O. 1970, c. 53, s. 118; 1978, c. 49, s. 5, *amended*.

Exemption
order
re ss. 110,
111 (1, 2)

112. Upon the application of any interested person, the Commission may, if satisfied in the circumstances of the particular case that there is adequate justification for so doing, make an order, on such terms and conditions as the Commission may impose, exempting, in whole or in part, any person from the

requirements of section 110 or from the requirements of subsections 1 and 2 of section 111. R.S.O. 1970, c. 53, s. 119 (2), *amended*.

113.—(1) A person who solicits a proxy and is appointed proxyholder shall attend in person or cause an alternate proxyholder to attend the meeting in respect of which the proxy is given and comply with the directions of the shareholder who appointed him. Proxyholder:

(2) A proxyholder or an alternate proxyholder has the same rights as the shareholder who appointed him to speak at a meeting of shareholders in respect of any matter, to vote by way of ballot at the meeting and, except where a proxyholder or an alternate proxyholder has conflicting instructions from more than one shareholder, to vote at such a meeting in respect of any matter by way of a show of hands. rights of proxyholder

(3) Notwithstanding subsections 1 and 2, where the chairman of a meeting of shareholders declares to the meeting that, to the best of his belief, if a ballot is conducted, the total number of votes attached to the shares represented at the meeting by proxy required to be voted against what will be the decision of the meeting in relation to any matter or group of matters is less than 5 per cent of all the votes that might be cast at the meeting on such ballot, and where a shareholder, proxyholder or alternate proxyholder does not demand a ballot, Vote

- (a) the chairman may conduct the vote in respect of that matter or group of matters by a show of hands; and
- (b) a proxyholder or alternate proxyholder may vote in respect of that matter or group of matters by a show of hands. *New.*

PART VIII

DIRECTORS AND OFFICERS

114.—(1) Subject to any unanimous shareholder agreement, the directors shall manage or supervise the management of the business and affairs of a corporation. R.S.O. 1970, c. 53, s. 132, *amended*. Duties

(2) The board of directors shall consist of, Board of directors

- (a) in the case of a corporation that is not an offering corporation, at least one individual; and
- (b) in the case of a corporation that is an offering corporation, not fewer than three individuals.

(3) At least one-third of the directors of an offering corporation shall not be officers or employees of the corporation or any of its affiliates. R.S.O. 1970, c. 53, s. 122 (2), *amended*. Idem

By-laws by
resolution

115.—(1) Unless the articles, the by-laws or a unanimous shareholder agreement otherwise provide, the directors may, by resolution, make, amend or repeal any by-laws that regulate the business or affairs of a corporation.

Confirmation
by shareholders

(2) Where the directors make, amend or repeal a by-law under subsection 1, they shall submit the by-law, amendment or repeal to the shareholders at the next meeting of shareholders, and the shareholders may confirm, reject or amend the by-law, amendment or repeal.

Effective date

(3) Where a by-law is made, amended or repealed under subsection 1, the by-law, amendment or repeal is effective from the date of the resolution of the directors until it is confirmed, confirmed as amended or rejected by the shareholders under subsection 2 or until it ceases to be effective under subsection 4 and, where the by-law is confirmed or confirmed as amended, it continues in effect in the form in which it was so confirmed.

Rejection, etc.

(4) If a by-law or an amendment or repeal of a by-law is rejected by the shareholders, or if the directors do not submit the by-law, amendment or repeal to the shareholders as required under subsection 2, the by-law, amendment or repeal ceases to be effective on the date of such rejection or on the date of the meeting of shareholders at which it should have been submitted, as the case may be, and no subsequent resolution of the directors to make, amend or repeal a by-law having substantially the same purpose or effect is effective until it is confirmed or confirmed as amended by the shareholders.

By-law re
shareholder
proposal

(5) If a shareholder proposal to make, amend or repeal a by-law is made in accordance with section 98 and is adopted by shareholders at a meeting, the by-law, amendment or repeal is effective from the date of its adoption and requires no further confirmation.

By-law need
not be so
described

(6) A by-law need not be described as a by-law in a resolution referred to in this section. R.S.O. 1970, c. 53, s. 21, *amended*.

First directors
meeting

116.—(1) After incorporation, a meeting of the directors of a corporation shall be held at which the directors may,

(a) make by-laws;

(b) adopt forms of security certificates and corporate records;

(c) authorize the issue of securities;

- (d) appoint officers;
- (e) appoint one or more auditors to hold office until the first annual or special meeting of shareholders;
- (f) make banking arrangements; and
- (g) transact any other business.

(2) Any matter referred to in subsection 1 may be dealt with by the directors by a resolution in writing in accordance with subsection 1 of section 128. Resolution in writing

(3) Subsection 1 does not apply to a body corporate that is an amalgamated corporation under section 176 or that is continued under section 178. Where subs. 1 does not apply

(4) An incorporator or a director may call the meeting of directors referred to in subsection 1 by giving not less than five days notice thereof to each director, stating the time and place of the meeting. *New.* Calling meeting

117.—(1) The following persons are disqualified from being a director of a corporation: Director disqualification

1. A person who is less than eighteen years of age.
2. A person who is of unsound mind and has been so found by a court in Canada or elsewhere.
3. A person who is not an individual.
4. A person who has the status of bankrupt. *R.S.O. 1970, c. 53, s. 125, part; 1971, c. 98, s. 4, Sched., amended.*

(2) Unless the articles otherwise provide, a director of a corporation is not required to hold shares issued by the corporation. *New.* Holding shares

(3) A majority of the directors of every corporation other than a non-resident corporation shall be resident Canadians but where a corporation has only one or two directors, that director or one of the two directors, as the case may be, shall be a resident Canadian. *1974, c. 26, s. 2, amended.* Directors to be resident Canadians

118.—(1) Each director named in the articles shall hold office from the date of endorsement of the certificate of incorporation until the first meeting of shareholders. First directors

(2) No director named in the articles shall be permitted to resign his office unless at the time the resignation is to become effective a successor is elected or appointed. Idem

- Idem (3) The first directors of a corporation named in the articles have all the powers and duties and are subject to all the liabilities of directors.
- Election of directors (4) Subject to clause *a* of section 119, shareholders of a corporation shall elect, at the first meeting of shareholders and at each succeeding annual meeting at which an election of directors is required, directors to hold office for a term expiring not later than the close of the third annual meeting of shareholders following the election.
- Term for directors (5) It is not necessary that all directors elected at a meeting of shareholders hold office for the same term.
- Idem (6) A director not elected for an expressly stated term ceases to hold office at the close of the first annual meeting of shareholders following his election.
- Idem (7) Notwithstanding the provisions of this section, if directors are not elected at a meeting of shareholders the incumbent directors continue in office until their successors are elected.
- Failure to elect required number of directors (8) If a meeting of shareholders fails to elect the number of directors required by the articles or by section 124 by reason of the disqualification, incapacity or death of one or more candidates, the directors elected at that meeting, if they constitute a quorum, may exercise all the powers of the directors of the corporation pending the holding of a meeting of shareholders in accordance with subsection 3 of section 123. R.S.O. 1970, c. 53, ss. 123, 126; 1972, c. 138, s. 31, *amended*.
- Cumulative voting for directors **119.** Where the articles provide for cumulative voting,
- (a) each shareholder entitled to vote at an election of directors has the right to cast a number of votes equal to the number of votes attached to the shares held by him multiplied by the number of directors to be elected, and he may cast all such votes in favour of one candidate or distribute them among the candidates in any manner;
 - (b) a separate vote of shareholders shall be taken with respect to each candidate nominated for director unless a resolution is passed unanimously permitting two or more persons to be elected by a single resolution;
 - (c) if a shareholder has voted for more than one candidate without specifying the distribution of his votes among the candidates, he is deemed to have distributed his votes equally among the candidates for whom he voted;

- (d) if the number of candidates nominated for director exceeds the number of positions to be filled, the candidates who receive the least number of votes shall be eliminated until the number of candidates remaining equals the number of positions to be filled;
- (e) each director ceases to hold office at the close of the first annual meeting of shareholders following his election;
- (f) a director may not be removed from office if the votes cast against his removal would be sufficient to elect him and such votes could be voted cumulatively at an election at which the same total number of votes were cast and the number of directors required by the articles were then being elected;
- (g) the number of directors required by the articles may not be decreased if the votes cast against the motion to decrease would be sufficient to elect a director and such votes could be voted cumulatively at an election at which the same total number of votes were cast and the number of directors required by the articles were then being elected; and
- (h) the articles shall require a fixed number and not a minimum and maximum number of directors. R.S.O. 1970, c. 53, s. 127; 1972, c. 138, s. 37, *amended*.

120.—(1) A director of a corporation ceases to hold office When director ceases to hold office when,

- (a) he dies or, subject to subsection 2 of section 118, resigns;
- (b) he is removed in accordance with section 121; or
- (c) he becomes disqualified under subsection 1 of section 117.

(2) A resignation of a director becomes effective at the time a Idem written resignation is received by the corporation or at the time specified in the resignation, whichever is later. *New*.

121.—(1) Subject to clause *f* of section 119 the shareholders of a corporation may by ordinary resolution at an annual or special meeting remove any director or directors from office. Removal of directors

(2) Where the holders of any class or series of shares of a Idem corporation have an exclusive right to elect one or more directors, a director so elected may only be removed by an ordinary resolution at a meeting of the shareholders of that class or series.

Idem	(3) Subject to clauses <i>a</i> to <i>d</i> of section 119, a vacancy created by the removal of a director may be filled at the meeting of the shareholders at which the director is removed or, if not so filled, may be filled under section 123. R.S.O. 1970, c. 53, s. 140, <i>amended</i> .
Entitlement of director	122. —(1) A director of a corporation is entitled to receive notice of and to attend and be heard at every meeting of shareholders.
Idem	(2) A director who, <ul style="list-style-type: none"> (a) resigns; (b) receives a notice or otherwise learns of a meeting of shareholders called for the purpose of removing him from office; or (c) receives a notice or otherwise learns of a meeting of directors or shareholders at which another person is to be appointed or elected to fill the office of director, whether because of the resignation or removal of the director or because his term of office has expired or is about to expire, <p>is entitled to submit to the corporation a written statement giving the reasons for his resignation or the reasons why he opposes any proposed action or resolution, as the case may be.</p>
Distribution of statement	(3) Upon receiving a statement under subsection 2, a corporation shall forthwith send a copy of the statement to every shareholder entitled to receive notice of meetings of shareholders and to the Director unless the statement is included in or attached to a management information circular required by section 111.
No liability	(4) No corporation or person acting on its behalf incurs any liability by reason only of circulating a director's statement in compliance with subsection 3. <i>New</i> .
Vacancies	123. —(1) Notwithstanding subsection 6 of section 125, but subject to subsections 2, 4 and 5 of this section, a quorum of directors may fill a vacancy among the directors, except a vacancy resulting from, <ul style="list-style-type: none"> (a) an increase in the number of directors otherwise than in accordance with subsection 2, or in the maximum number of directors, as the case may be; or (b) a failure to elect the number of directors required to be elected at any meeting of shareholders.
Appointment of directors subsequent to annual meeting	(2) Where a special resolution passed under subsection 2 of section 124 empowers the directors of a corporation the articles of

which provide for a minimum and maximum number of directors to determine the number of directors, the directors may not, between meetings of shareholders, appoint an additional director if, after such appointment, the total number of directors would be greater than one and one-third times the number of directors required to have been elected at the last annual meeting of shareholders.

(3) If there is not a quorum of directors, or if there has been a failure to elect the number of directors required by the articles or by section 124, the directors then in office shall forthwith call a special meeting of shareholders to fill the vacancy and, if they fail to call a meeting or if there are no directors then in office, the meeting may be called by any shareholder.

Election of directors to make quorum

(4) Where the holders of any class or series of shares of a corporation have an exclusive right to elect one or more directors and a vacancy occurs among those directors,

Where elected by class of shareholders

(a) subject to subsection 5, the remaining directors elected by that class or series may fill the vacancy except a vacancy resulting from an increase in the number of directors for that class or series or from a failure to elect the number of directors for that class or series; or

(b) if there are no such remaining directors, any holder of shares of that class or series may call a meeting of the holders thereof for the purpose of filling the vacancy.

(5) The articles may provide that a vacancy among the directors shall only be filled by a vote of the shareholders, or by a vote of the holders of any class or series of shares having an exclusive right to elect one or more directors if the vacancy occurs among the directors elected by that class or series.

Idem. where no quorum

(6) A director appointed or elected to fill a vacancy holds office for the unexpired term of his predecessor. R.S.O. 1970, c. 53, s. 128 (3); 1972, c. 138, s. 32, *amended*.

Term

124.—(1) A corporation may increase or decrease the number, or the minimum or maximum number, of its directors in accordance with clause *m* of subsection 1 of section 166, but no decrease in the number of directors shall shorten the term of an incumbent director.

Change in number of directors

(2) Where a minimum and maximum number of directors of a corporation is provided for in its articles, the number of directors of the corporation and the number of directors to be elected at the annual meeting of the shareholders shall be such number as shall be determined from time to time by special resolution or, if the

Number of directors

special resolution empowers the directors to determine the number, by resolution of the directors.

Filing of special resolution	(3) The corporation shall file with the Director a certified copy of a special resolution or resolution of the directors, as the case may be, referred to in subsection 2, within ten days after it is passed.
Validity	(4) Failure to comply with subsection 3 does not affect the validity of a special resolution or resolution of the directors therein referred to. R.S.O. 1970, c. 53, s. 124, <i>amended</i> .
Place of meetings	125. —(1) Subject to subsection 2, a meeting of the board of directors shall be held at the place where the registered office of the corporation is located.
Exceptions	(2) Where the by-laws of the corporation so provide, a meeting of the board of directors may be held at any place within or outside Ontario, but, except where the corporation is a non-resident corporation or the articles or the by-laws otherwise provide, in any financial year of the corporation a majority of the meetings of the board of directors shall be held at a place within Canada.
Quorum	(3) Subject to the articles or by-laws and subsection 4, a majority of the number of directors or minimum number of directors required by the articles constitutes a quorum at any meeting of directors, but in no case shall a quorum be less than two-fifths of the number of directors or minimum number of directors, as the case may be.
Idem	(4) Where a corporation has fewer than three directors, both directors of the corporation must be present at any meeting of directors to constitute a quorum.
Idem	(5) Subject to the articles or by-laws, where there is a vacancy or vacancies in the board of directors, the remaining directors may exercise all the powers of the board so long as a quorum of the board remains in office.
Transacting business	(6) Directors, other than directors of a non-resident corporation, shall not transact business at a meeting of directors unless a majority of directors present are resident Canadians.
Idem	(7) Notwithstanding subsection 6, directors may transact business at a meeting of directors where a majority of resident Canadian directors is not present if, <ul style="list-style-type: none"> (a) a resident Canadian director who is unable to be present approves in writing or by telephone or other communications facilities the business transacted at the meeting; and

- (b) a majority of resident Canadian directors would have been present had that director been present at the meeting.

(8) In addition to any other provision in the articles or by-laws of a corporation for calling meetings of directors, a quorum of the directors may, at any time, call a meeting of the directors for the transaction of any business the general nature of which is specified in the notice calling the meeting. Calling meeting of directors

(9) In the absence of any other provision in that behalf in the by-laws of the corporation, notice of the time and place for the holding of the meeting called under subsection 8 shall be given to every director of the corporation by sending the notice ten days or more before the date of the meeting to his latest address as shown on the records of the corporation. Notice

(10) A director may in any manner and at any time waive a notice of a meeting of directors and attendance of a director at a meeting of directors is a waiver of notice of the meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called. Waiver of notice

(11) Notice of an adjourned meeting of directors is not required to be given if the time and place of the adjourned meeting is announced at the original meeting. Adjourned meeting

(12) Where a corporation has only one director, that director may constitute a meeting. Where one director

(13) Unless the by-laws otherwise provide, if all the directors of a corporation present at or participating in the meeting consent, a meeting of directors or of a committee of directors may be held by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and a director participating in such a meeting by such means is deemed for the purposes of this Act to be present at that meeting. Meeting by telephone, etc.

(14) If a majority of the directors participating in a meeting held under subsection 13 are then in Canada, the meeting shall be deemed to have been held in Canada. R.S.O. 1970, c. 53, s. 131; 1972, c. 138, s. 33, *amended*. Place of meeting by telephone

126.—(1) Subject to the articles or by-laws, directors of a corporation may appoint from their number a managing director, Executive committee

who is a resident Canadian, or a committee of directors and delegate to such managing director or committee any of the powers of the directors.

Idem

(2) If the directors of a corporation other than a non-resident corporation, appoint a committee of directors, a majority of the members of the committee shall be resident Canadians.

Limitations on
authority

(3) Notwithstanding subsection 1, no managing director and no committee of directors has authority to,

(a) submit to the shareholders any question or matter requiring the approval of the shareholders;

(b) fill a vacancy among the directors or in the office of auditor or appoint or remove any of the chief executive officer, however designated, the chief financial officer, however designated, the chairman or the president of the corporation;

(c) subject to section 182, issue securities except in the manner and on the terms authorized by the directors;

(d) declare dividends;

(e) purchase, redeem or otherwise acquire shares issued by the corporation;

(f) pay a commission referred to in section 37;

(g) approve a management information circular referred to in Part VII;

1978, c. 47

(h) approve a take-over bid circular, directors' circular, or issuer bid circular referred to in Part XIX of *The Securities Act, 1978*;

(i) approve any financial statements referred to in clause b of subsection 1 of section 152 and Part XVII of *The Securities Act, 1978*; or

(j) adopt, amend or repeal by-laws. R.S.O. 1970, c. 53, s. 133 (2); 1974, c. 26, s. 5, *amended*.

Validity of acts
of directors and
officers

127. An act done by a director or by an officer is not invalid by reason only of any defect that is thereafter discovered in his appointment, election or qualification. R.S.O. 1970, c. 53, s. 145.

128.—(1) A resolution in writing, signed by all the directors entitled to vote on that resolution at a meeting of directors or a committee of directors, is as valid as if it had been passed at a meeting of directors or a committee of directors. R.S.O. 1970, c. 53, s. 23 (1), *amended*. Resolutions in writing

(2) A copy of every resolution passed under subsection 1 shall be kept with the minutes of the proceedings of the directors or committee of directors. *New*. Copy to be kept

129.—(1) Directors of a corporation who vote for or consent to a resolution authorizing the issue of a share for a consideration other than money contrary to section 23 are jointly and severally liable to the corporation to make good any amount by which the consideration received is less than the fair equivalent of the money that the corporation would have received if the share had been issued for money on the date of the resolution. *New*. Liability of directors

(2) Directors of a corporation who vote for or consent to a resolution authorizing, Idem

- (a) any financial assistance contrary to section 20;
- (b) a purchase, redemption or other acquisition of shares contrary to section 30, 31 or 32;
- (c) a commission contrary to section 37;
- (d) a payment of a dividend contrary to section 38;
- (e) a payment of an indemnity contrary to section 135; or
- (f) a payment to a shareholder contrary to section 183 or 246,

are jointly and severally liable to restore to the corporation any amounts so distributed or paid and not otherwise recovered by the corporation.

(3) A director who has satisfied a judgment rendered under this section is entitled to contribution from the other directors who voted for or consented to the unlawful act upon which the judgment was founded. Joint liability

(4) A director liable under subsection 2 is entitled to apply to the court for an order compelling a shareholder or other recipient to pay or deliver to the director any money or property that was paid or distributed to the shareholder or other recipient contrary to section 20, 30, 31, 32, 37, 38, 135, 183 or 246. Application to court

What court
may order

(5) In connection with an application under subsection 4, the court may, if it is satisfied that it is equitable to do so,

- (a) order a shareholder or other recipient to pay or deliver to a director any money or property that was paid or distributed to the shareholder or other recipient contrary to section 20, 30, 31, 32, 37, 38, 135, 183 or 246;
- (b) order a corporation to return or issue shares to a person from whom the corporation has purchased, redeemed or otherwise acquired shares; or
- (c) make any further order it thinks fit.

Exception to
subs. 1

(6) A director is not liable under subsection 1 if he proves that he did not know and could not reasonably have known that the share was issued for a consideration less than the fair equivalent of the money that the corporation would have received if the share had been issued for money.

Time limitation

(7) An action to enforce a liability imposed by this section may not be commenced after two years from the date of the resolution authorizing the action complained of. R.S.O. 1970, c. 53, ss. 135, 136, 146, *amended*.

Liability of
directors for
wages
R.S.O. 1970,
c. 263,

1974, c. 112

130.—(1) The directors of a corporation are jointly and severally liable to the employees of the corporation to whom *The Master and Servant Act* applies for all debts that become due while they are directors for services performed for the corporation, not exceeding six months wages and for the vacation pay accrued for not more than twelve months under *The Employment Standards Act, 1974*, and the regulations thereunder, or under any collective agreement made by the corporation.

Limitation
of liability

(2) A director is liable under subsection 1, only if,

(a) either,

(i) the corporation and the directors as party defendants have been sued for the debt within six months after it has become due and execution against the corporation has been returned unsatisfied in whole or in part, or

(ii) the corporation has within that period gone into liquidation or has been ordered to be wound up or has made an authorized assignment under the *Bankruptcy Act* (Canada) or a receiving order under the *Bankruptcy Act* (Canada) has been made against it and, in any such case, the claim for the debt has been proved; and

R.S.C. 1970,
c. B-4

- (b) he is sued in the action against the corporation as a party defendant while he is a director, or within two years after he ceases to be a director.

(3) Where execution referred to in clause *a* of subsection 2 has ^{Idem} issued, the amount recoverable from a director is the amount remaining unsatisfied after execution.

(4) Where a director pays a debt under subsection 1 that is proved in liquidation and dissolution or bankruptcy proceedings, he is entitled to any preference that the employee would have been entitled to, and where a judgment has been obtained he is entitled to an assignment of the judgment. ^{Rights of director who pays debt}

(5) A director who has satisfied a claim under this section is ^{Idem} entitled to contribution from the other directors who were liable for the claim. R.S.O. 1970, c. 53, s. 139, *amended*.

131.—(1) A director or officer of a corporation who, ^{Disclosure: conflict of interest}

- (a) is a party to a material contract or transaction or proposed material contract or transaction with the corporation; or
- (b) is a director or an officer of, or has a material interest in, any person who is a party to a material contract or transaction or proposed material contract or transaction with the corporation,

shall disclose in writing to the corporation or request to have entered in the minutes of meetings of directors the nature and extent of his interest.

(2) The disclosure required by subsection 1 shall be made, in ^{by director} the case of a director,

- (a) at the meeting at which a proposed contract or transaction is first considered;
- (b) if the director was not then interested in a proposed contract or transaction, at the first meeting after he becomes so interested;
- (c) if the director becomes interested after a contract is made or a transaction is entered into, at the first meeting after he becomes so interested; or
- (d) if a person who is interested in a contract or transaction later becomes a director, at the first meeting after he becomes a director.

by officer

(3) The disclosure required by subsection 1 shall be made, in the case of an officer who is not a director,

- (a) forthwith after he becomes aware that the contract or transaction or proposed contract or transaction is to be considered or has been considered at a meeting of directors;
- (b) if the officer becomes interested after a contract is made or a transaction is entered into, forthwith after he becomes so interested; or
- (c) if a person who is interested in a contract or transaction later becomes an officer, forthwith after he becomes an officer.

Where contract or transaction does not require approval

(4) Notwithstanding subsections 2 and 3, where subsection 1 applies to a director or officer in respect of a material contract or transaction or proposed material contract or transaction that, in the ordinary course of the corporation's business, would not require approval by the directors or shareholders, the director or officer shall disclose in writing to the corporation or request to have entered in the minutes of meetings of directors the nature and extent of his interest forthwith after the director or officer becomes aware of the contract or transaction or proposed contract or transaction.

Director not to vote

(5) A director referred to in subsection 1 shall not vote on any resolution to approve the contract or transaction unless the contract or transaction is,

- (a) an arrangement by way of security for money lent to or obligations undertaken by him for the benefit of the corporation or an affiliate;
- (b) one relating primarily to his remuneration as a director, officer, employee or agent of the corporation or an affiliate;
- (c) one for indemnity or insurance under section 135; or
- (d) one with an affiliate. *New.*

General notice of interest

(6) For the purposes of this section, a general notice to the directors by a director or officer disclosing that he is a director or officer of or has a material interest in a person and is to be regarded as interested in any contract made or any transaction entered into with that person, is a sufficient disclosure of interest in relation to any contract so made or transaction so entered into. 1972, c. 138, s. 36 (2), *amended*.

(7) Where a material contract is made or a material transaction is entered into between a corporation and a director or officer of the corporation, or between a corporation and another person of which a director or officer of the corporation is a director or officer or in which he has a material interest, Effect of disclosure

(a) the director or officer is not accountable to the corporation or its shareholders for any profit or gain realized from the contract or transaction; and

(b) the contract or transaction is neither void nor voidable,

by reason only of that relationship or by reason only that the director is present at or is counted to determine the presence of a quorum at the meeting of directors that authorized the contract or transaction, if the director or officer disclosed his interest in accordance with subsection 2, 3, 4 or 6, as the case may be, and the contract or transaction was reasonable and fair to the corporation at the time it was so approved. 1971, c. 26, s. 20, *amended*.

(8) Notwithstanding anything in this section, a director or officer, acting honestly and in good faith, is not accountable to the corporation or to its shareholders for any profit or gain realized from any such contract or transaction by reason only of his holding the office of director or officer, and the contract or transaction, if it was reasonable and fair to the corporation at the time it was approved, is not by reason only of the director's or officer's interest therein void or voidable, where, Confirmation by shareholders

(a) the contract or transaction is confirmed or approved by special resolution at a meeting of the shareholders duly called for that purpose; and

(b) the nature and extent of the director's or officer's interest in the contract or transaction are disclosed in reasonable detail in the notice calling the meeting or in the information circular required by section 111.

(9) Subject to subsections 7 and 8, where a director or officer of a corporation fails to disclose his interest in a material contract or transaction in accordance with this section or otherwise fails to comply with this section, the corporation or a shareholder of the corporation, or, in the case of an offering corporation, the Commission may apply to the court for an order setting aside the contract or transaction and directing that the director or officer account to the corporation for any profit or gain realized and upon such application the court may so order or make such other order as it thinks fit. *New*. Court setting aside contract

132. Subject to the articles, the by-laws or any unanimous shareholder agreement, Officers

- (a) the directors may designate the offices of the corporation, appoint officers, specify their duties and delegate to them powers to manage the business and affairs of the corporation, except, subject to section 182, powers to do anything referred to in subsection 3 of section 126;
- (b) a director may be appointed to any office of the corporation; and
- (c) two or more offices of the corporation may be held by the same person. *New.*

Standards of care, etc., of directors, etc.

133.—(1) Every director and officer of a corporation in exercising his powers and discharging his duties shall,

- (a) act honestly and in good faith with a view to the best interests of the corporation; and
- (b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. R.S.O. 1970, c. 53, s. 144, *amended*.

Duty to comply with Act, etc.

(2) Every director and officer of a corporation shall comply with this Act, the regulations, articles, by-laws and any unanimous shareholder agreement.

Can not contract out of liability

(3) Subject to subsection 5 of section 107, no provision in a contract, the articles, the by-laws or a resolution relieves a director or officer from the duty to act in accordance with this Act and the regulations or relieves him from liability for a breach thereof. *New.*

Consent of director at meeting

134.—(1) A director who is present at a meeting of directors or committee of directors is deemed to have consented to any resolution passed or action taken thereat unless,

- (a) he requests that his dissent be or his dissent is entered in the minutes of the meeting;
- (b) he sends his written dissent to the secretary of the meeting before the meeting is terminated; or
- (c) he sends his dissent by registered mail or delivers it to the registered office of the corporation immediately after the meeting is terminated.

Idem

(2) A director who votes for or consents to a resolution is not entitled to dissent under subsection 1.

Idem

(3) A director who was not present at a meeting at which a resolution was passed or action taken is deemed to have consented

thereto unless within seven days after he becomes aware of the resolution he,

- (a) causes his dissent to be placed with the minutes of the meeting; or
- (b) sends his dissent by registered mail or delivers it to the registered office of the corporation.

(4) A director is not liable under section 129 or 133 if he relies in good faith upon, Entitled to rely on statements, etc.

- (a) financial statements of the corporation represented to him by an officer of the corporation or in a written report of the auditor of the corporation to present fairly the financial position of the corporation in accordance with generally accepted accounting principles; or
- (b) a report of a lawyer, accountant, engineer, appraiser or other person whose profession lends credibility to a statement made by him. R.S.O. 1970, c. 53, s. 137; 1971, c. 26, s. 21, *amended*.

135.—(1) A corporation may indemnify a director or officer of the corporation, a former director or officer of the corporation or a person who acts or acted at the corporation's request as a director or officer of a body corporate of which the corporation is or was a shareholder or creditor, and his heirs and legal representatives, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by him in respect of any civil, criminal or administrative action or proceeding to which he is made a party by reason of being or having been a director or officer of such corporation or body corporate, if, Indemnification of directors

- (a) he acted honestly and in good faith with a view to the best interests of the corporation; and
- (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, he had reasonable grounds for believing that his conduct was lawful.

(2) A corporation may, with the approval of the court, Idem indemnify a person referred to in subsection 1 in respect of an action by or on behalf of the corporation or body corporate to procure a judgment in its favour, to which he is made a party by reason of being or having been a director or an officer of the corporation or body corporate, against all costs, charges and expenses reasonably incurred by him in connection with such

action if he fulfils the conditions set out in clauses *a* and *b* of subsection 1.

Idem

(3) Notwithstanding anything in this section, a person referred to in subsection 1 is entitled to indemnity from the corporation in respect of all costs, charges and expenses reasonably incurred by him in connection with the defence of any civil, criminal or administrative action or proceeding to which he is made a party by reason of being or having been a director or officer of the corporation or body corporate, if the person seeking indemnity,

(a) was substantially successful on the merits in his defence of the action or proceeding; and

(b) fulfils the conditions set out in clauses *a* and *b* of subsection 1.

Liability
insurance

(4) A corporation may purchase and maintain insurance for the benefit of any person referred to in subsection 1 against any liability incurred by him,

(a) in his capacity as a director or officer of the corporation, except where the liability relates to his failure to act honestly and in good faith with a view to the best interests of the corporation; or

(b) in his capacity as a director or officer of another body corporate where he acts or acted in that capacity at the corporation's request, except where the liability relates to his failure to act honestly and in good faith with a view to the best interests of the body corporate.

Application to
court

(5) A corporation or a person referred to in subsection 1 may apply to the court for an order approving an indemnity under this section and the court may so order and make any further order it thinks fit.

Idem

(6) Upon an application under subsection 5, the court may order notice to be given to any interested person and such person is entitled to appear and be heard in person or by counsel. R.S.O. 1970, c. 53, s. 147, *amended*.

Remuneration
of directors

136. Subject to the articles, the by-laws or any unanimous shareholder agreement, the directors of a corporation may fix the remuneration of the directors, officers and employees of the corporation. R.S.O. 1970, c. 53, s. 22 (1), *amended*.

PART IX

INSIDER LIABILITY

137.—(1) In this Part,

Interpretation

(a) “corporation” means a corporation that is not an offering corporation;

(b) “insider” means, with respect to a corporation,

(i) the corporation,

(ii) an affiliate of the corporation,

(iii) a director or officer of the corporation,

(iv) a person who beneficially owns, directly or indirectly, more than 10 per cent of the voting securities of the corporation or who exercises control or direction over more than 10 per cent of the votes attached to the voting securities of the corporation,

(v) a person employed or retained by the corporation, or

(vi) a person who receives specific confidential information from a person described in this clause or in subsection 3, including a person described in this subclause, and who has knowledge that the person giving the information is a person described in this clause or in subsection 3, including a person described in this subclause;

(c) “security” includes a warrant.

(2) For the purposes of this Part,

Insider

(a) a director or officer of a body corporate that is an insider of a corporation is deemed to be an insider of the corporation;

(b) a director or officer of a body corporate that is a subsidiary is deemed to be an insider of its holding corporation;

- (c) a person is deemed to own beneficially shares beneficially owned by a body corporate controlled by him directly or indirectly; and
- (d) a body corporate is deemed to own beneficially shares beneficially owned by its affiliates.

Idem

(3) For the purposes of this Part,

- (a) where a body corporate becomes an insider of a corporation, or enters into a business combination with a corporation, a director or an officer of the body corporate or a shareholder of the body corporate who is a person referred to in subclause iv of clause *b* of subsection 1 is deemed to have been an insider of the corporation for the previous six months or for such shorter period as he was a director, an officer or such a shareholder of the body corporate; and
- (b) where a corporation becomes an insider of a body corporate or enters into a business combination with a body corporate, a director or an officer of the body corporate or a shareholder of the body corporate who is a person referred to in subclause iv of clause *b* of subsection 1 is deemed to have been an insider of the corporation for the previous six months or for such shorter period as he was a director, an officer or such a shareholder of the body corporate.

Business combination

- (4) In subsection 3, "business combination" means an acquisition of all or substantially all the property of one body corporate by another or an amalgamation of two or more bodies corporate.

Liability of insider

- (5) An insider who, in connection with a transaction in a security of the corporation or any of its affiliates, makes use of any specific confidential information for his own benefit or advantage that, if generally known, might reasonably be expected to affect materially the value of the security,

- (a) is liable to compensate any person for any direct loss suffered by that person as a result of the transaction, unless the information was known or in the exercise of reasonable diligence should have been known to that person; and
- (b) is accountable to the corporation for any direct benefit or advantage received or receivable by the insider as a result of the transaction.

(6) An action to enforce a right created by subsection 5 may be commenced only within two years after discovery of the facts that gave rise to the cause of action. *New.* Limitation period

PART X

BOOKS AND RECORDS

138.—(1) Where this Act requires a record to be kept by a corporation, it may be kept in a bound or looseleaf book or may be entered or recorded by any system of mechanical or electronic data processing or any other information storage device. Records

(2) The corporation shall,

- (a) take adequate precautions, appropriate to the means used, for guarding against the risk of falsifying the information recorded; and Guard against falsification of records
- (b) provide means for making the information available in an accurate and intelligible form within a reasonable time to any person lawfully entitled to examine the records.

(3) The bound or looseleaf book or, where the record is not kept in a bound or looseleaf book, the information in the form in which it is made available under clause *b* of subsection 2 is admissible in evidence as *prima facie* proof, before and after dissolution of the corporation, of all facts stated therein. Admissibility of records in evidence

(4) No person shall remove, withhold or destroy information required by this Act or the regulations to be recorded, or, False information

- (a) record or assist in recording any information in a record; or
- (b) make information purporting to be accurate available in a form referred to in clause *b* of subsection 2,

knowing it to be untrue. R.S.O. 1970, c. 53, s. 156, *amended*.

139.—(1) A corporation shall prepare and maintain, at its registered office or at such other place in Ontario designated by the directors, Records

- (a) the articles and the by-laws and all amendments thereto, and a copy of any unanimous shareholder agreement known to the directors;
- (b) minutes of meetings and resolutions of shareholders;
- (c) a register of directors in which are set out the names and residence addresses, while directors, including the street

and number, if any, of all persons who are or have been directors of the corporation with the several dates on which each became or ceased to be a director;

(d) a securities register complying with section 140.

Idem

(2) In addition to the records described in subsection 1, a corporation shall prepare and maintain,

(a) adequate accounting records; and

(b) records containing minutes of meetings and resolutions of the directors and any committee thereof,

but, provided the retention requirements of any taxing authority of Ontario, the government of Canada or any other jurisdiction to which the corporation is subject have been satisfied, the accounting records mentioned in clause *a* need only be retained by the corporation for six years from the end of the last fiscal period to which they relate.

Idem

(3) For the purposes of clause *b* of subsection 1 and subsection 2, where a body corporate is continued under this Act, "records" includes similar records required by law to be maintained by the body corporate before it was so continued. R.S.O. 1970, c. 53, ss. 157, 160; 1972, c. 138, ss. 40, 42, *amended*.

Securities
register

140.—(1) A corporation shall prepare and maintain at its registered office, or at any other place in Ontario designated by the directors, a securities register in which it records the securities issued by it in registered form, showing with respect to each class or series of securities,

(a) the names, alphabetically arranged, and the latest known address of persons who,

(i) are or have been within six years registered as shareholders of the corporation, the address including the street and number, if any, of every such person while a holder, and the number and class of shares registered in the name of such holder,

(ii) are or have been within six years registered as holders of debt obligations of the corporation, the address including the street and number, if any, of every such person while a holder, and the class or series and principal amount of the debt obligations registered in the name of such holder, or

- (iii) are or have been within six years registered as holders of warrants of the corporation, other than warrants exercisable within one year from the date of issue, the address including the street and number, if any, of every such person while a registered holder, and the class or series and number of warrants registered in the name of such holder; and

- (b) the date and particulars of the issue of each security and warrant. R.S.O. 1970, c. 53, s. 157, par. 3; 1972, c. 138, s. 40, *amended*.

(2) A corporation shall cause to be kept a register of transfers in which all transfers of securities issued by the corporation in registered form and the date and other particulars of each transfer shall be set out. R.S.O. 1970, c. 53, s. 158. Register of transfers

(3) In this section and in section 142, "registered form" has the same meaning as in Part V. *New*. Interpretation

141. For each class of securities and warrants issued by it, a corporation may appoint, Transfer agents

- (a) a trustee, transfer agent or other agent to keep the securities register and the register of transfers and one or more persons or agents to keep branch registers; and

- (b) a registrar, trustee or agent to maintain a record of issued security certificates and warrants,

and, subject to section 47, one person may be appointed for the purposes of both clauses *a* and *b* in respect of all securities and warrants of the corporation or any class or classes thereof. 1972, c. 138, s. 41, *amended*.

142.—(1) The securities register and the register of transfers shall be kept at the registered office of a corporation or at such other places in Ontario designated by the directors, and the branch register or registers of transfers may be kept at such offices of the corporation or other places, either within or outside Ontario, designated by the directors. R.S.O. 1970, c. 53, s. 160 (1); 1972, c. 138, s. 42 (1), *amended*. Where registers to be kept

(2) Registration of the transfer of a security or warrant of a corporation in the register of transfers or a branch register of transfers is a complete and valid registration for all purposes. Valid registration

Entry in
branch
transfer
register

(3) In each branch register of transfers there shall be recorded only the particulars of the transfers of securities or warrants registered in that branch register of transfers.

Entry in
register of
transfers

(4) Particulars of every transfer of securities and warrants registered in every branch register of transfers shall be recorded in the register of transfers. R.S.O. 1970, c. 53, s. 160 (2-4).

Documents not
required to be
produced

(5) A corporation or a person appointed under section 141 is not required to produce,

- (a) any security certificate or warrant that is not in registered form; or
- (b) any security certificate or warrant that is in registered form after six years,
 - (i) in the case of a share certificate, from the date of its cancellation,
 - (ii) in the case of a warrant, from the date of its transfer or exercise, whichever occurs first, or
 - (iii) in the case of a certificate representing a debt obligation, from the date of cancellation of such certificate. 1972, c. 138, s. 42, *part, amended*.

Records open
to examination
by directors

143.—(1) The records mentioned in sections 139 and 140 shall, during normal business hours of a corporation, be open to examination by any director and shall, except as provided in sections 139 and 142 and in subsections 2 and 3 of this section, be kept at the registered office of the corporation.

Records of
account at
branch

(2) A corporation may keep at any place where it carries on business such parts of the accounting records as relate to the operations, business and assets and liabilities of the corporation carried on, supervised or accounted for at such place, but there shall be kept at the registered office of the corporation or such other place as is authorized under this section such records as will enable the directors to ascertain quarterly with reasonable accuracy the financial position of the corporation.

Order for
removal of
records

(3) Where a corporation,

- (a) shows, to the satisfaction of the Director, the necessity of keeping all or any of the records mentioned in subsection 1 at a place other than the registered office of the corporation; and

(b) gives the Director adequate assurance, by surety bond or otherwise, that such records will be open for examination,

(i) at the registered office or some other place in Ontario designated by the Director, and

(ii) by any person who is entitled to examine them and who has applied to the Director for such an examination,

the Director may, by order and upon such terms as he thinks fit, permit the corporation to keep all or any of them at such place or places, other than the registered office, as he thinks fit.

(4) The Director may by order upon such terms as he thinks fit rescind any order made under subsection 3 or any order made by the Lieutenant Governor in Council or the Minister under a predecessor of that subsection. R.S.O. 1970, c. 53, s. 161, *amended*. Rescission of orders made under subs. 3

144.—(1) Shareholders and creditors of a corporation, their agents and legal representatives may examine the records referred to in subsection 1 of section 139 during the usual business hours of the corporation, and may take extracts therefrom, free of charge, and, where the corporation is an offering corporation, any other person may do so upon payment of a reasonable fee. Examination of records by shareholders and creditors

(2) A shareholder of a corporation is entitled upon request and without charge to one copy of the articles and by-laws and of any unanimous shareholder agreement. R.S.O. 1970, c. 53, s. 162; 1972, c. 138, s. 42, *amended*. Copy

145.—(1) Shareholders and creditors of a corporation, their agents and legal representatives and, where the corporation is an offering corporation, any other person, upon payment of a reasonable fee and upon sending to the corporation or its transfer agent the statutory declaration referred to in subsection 6, may require the corporation or its transfer agent to furnish a basic list setting out the names of the shareholders of the corporation, the number of shares of each class and series owned by each shareholder and the address of each shareholder, all as shown on the records of the corporation. List of shareholders

(2) The basic list referred to in subsection 1 shall be furnished to the applicant as soon as is practicable and, when furnished, shall be as current as is practicable having regard to the form in which the securities register of the corporation is maintained, but, in any case, shall be furnished not more than ten days following the receipt by the corporation or its transfer agent of the statutory Idem

declaration referred to in subsection 1 and shall be made up to a date not more than ten days before the date on which it is actually furnished.

Supplemental
lists

(3) A person requiring a corporation to supply a basic list may, if he states in the statutory declaration referred to in subsection 1 that he requires supplemental lists, require the corporation or its agent upon payment of a reasonable fee to furnish supplemental lists setting out any changes from the basic list in the names or addresses of the shareholders and the number of shares owned by each shareholder for each business day following the date to which the basic list is made up.

Idem

(4) The corporation or its agent shall furnish a supplemental list required under subsection 3,

(a) on the date the basic list is furnished, where the information relates to changes that took place prior to that date; and

(b) on the business day following the day to which the supplemental list relates, where the information relates to changes that take place on or after the date the basic list is furnished.

List of
option holders

(5) A person requiring a corporation to supply a basic or supplemental list may also require the corporation to include in that list the name and address of any known holder of an option or right to acquire shares of the corporation.

Statutory
declaration

(6) The statutory declaration required under subsection 1 shall state,

(a) the name and address including street and number, if any, of the applicant and whether the applicant is a shareholder, creditor or any other person referred to in the subsection;

(b) the name and address including street and number, if any, for service of the body corporate if the applicant is a body corporate; and

(c) that the basic list and any supplemental lists shall be used only as permitted under subsection 8.

Idem

(7) If the applicant is a body corporate, the statutory declaration shall be made by a director or officer of the body corporate.

Use of list

(8) A list of shareholders obtained under this section shall not be used by any person except in connection with,

- (a) an effort to influence the voting by shareholders of the corporation;
- (b) an offer to acquire shares of the corporation; or
- (c) any other matter relating to the affairs of the corporation. 1972, c. 138, ss. 44, 45, *amended*.

146. No person shall offer for sale or sell or purchase or otherwise traffic in a list or a copy of a list of all or any of the holders of securities or warrants of a corporation. R.S.O. 1970, c. 53, s. 165; 1972, c. 138, s. 46, *amended*. Trafficking
in lists

PART XI

AUDITORS AND FINANCIAL STATEMENTS

147.—(1) In respect of a financial year of a corporation, the corporation is exempt from the requirements of this Part regarding the appointment and duties of an auditor, Exemption
from audit
requirements

- (a) where,
 - (i) the corporation is not an offering corporation,
 - (ii) all of the shareholders of the corporation consent thereto in writing in respect of that year, and
 - (iii) the corporation has assets not exceeding \$2,500,000 or sales or gross operating revenues not exceeding \$5,000,000 as shown on the financial statement of the corporation for the preceding year; or
- (b) where the corporation has been exempted by the Director under subsection 2 in respect of that financial year.

(2) A corporation other than an offering corporation, all the shareholders of which consent thereto in writing, may apply to the Director for exemption from the requirements of this Part regarding the appointment and duties of an auditor in respect of a financial year, and after giving to the corporation and to such other persons whom he considers should be given the opportunity, an opportunity to be heard, the Director may, subject to such terms and conditions as he may impose, exempt the corporation and any of its affiliates from the audit requirements of this Part where in his opinion to do so would not be prejudicial to the public interest. Idem

(3) For the purposes of subclause iii of clause a of subsection 1, the assets or sales or gross operating revenues of a corporation Interpre-
tation

1970-71,
c. 63 (Can.)

include the assets or sales or gross operating revenues of each of its affiliates resident in Canada for the purposes of the *Income Tax Act* (Canada).

- Auditors **148.**—(1) The shareholders of a corporation at their first annual or special meeting shall appoint one or more auditors to hold office until the close of the first or next annual meeting, as the case may be, and, if the shareholders fail to do so, the directors shall forthwith make such appointment or appointments.
- Idem (2) The shareholders shall at each annual meeting appoint one or more auditors to hold office until the close of the next annual meeting and, if an appointment is not so made, the auditor in office continues in office until a successor is appointed.
- Casual
vacancy (3) The directors may fill any casual vacancy in the office of auditor, but, while such vacancy continues, the surviving or continuing auditor, if any, may act.
- Removal of
auditor (4) The shareholders may, except where the auditor has been appointed by order of the court under subsection 8, by resolution passed by a majority of the votes cast at a special meeting duly called for the purpose, remove an auditor before the expiration of his term of office, and shall by a majority of the votes cast at that meeting appoint another auditor in his stead for the remainder of his term.
- Notice to
auditor (5) Before calling a special meeting for the purpose specified in subsection 4 or an annual or special meeting where the board is not recommending the reappointment of the incumbent auditor, the corporation shall, fifteen days or more before the mailing of the notice of the meeting, give to the auditor,
- (a) written notice of the intention to call the meeting, specifying therein the date on which the notice of the meeting is proposed to be mailed; and
 - (b) a copy of all material proposed to be sent to shareholders in connection with the meeting.
- Right of
auditor to
make
representations (6) An auditor has the right to make to the corporation, three days or more before the mailing of the notice of the meeting, representations in writing, concerning,
- (a) his proposed removal as auditor;
 - (b) the appointment or election of another person to fill the office of auditor; or
 - (c) his resignation as auditor,

and the corporation, at its expense, shall forward with the notice of the meeting a copy of such representations to each shareholder entitled to receive notice of the meeting.

(7) The remuneration of an auditor appointed by the shareholders shall be fixed by the shareholders, or by the directors if they are authorized so to do by the shareholders, and the remuneration of an auditor appointed by the directors shall be fixed by the directors. Remuneration

(8) If a corporation does not have an auditor, the court may, upon the application of a shareholder or the Director, appoint and fix the remuneration of an auditor to hold office until an auditor is appointed by the shareholders. Appointment by court

(9) The corporation shall give notice in writing to an auditor of his appointment forthwith after the appointment is made. Notice of appointment
R.S.O. 1970, c. 53, s. 168; 1972, c. 138, s. 47, *amended*.

149.—(1) The auditor of a corporation is entitled to receive notice of every meeting of shareholders and, at the expense of the corporation, to attend and be heard thereat on matters relating to his duties as auditor. Auditor may attend shareholders' meetings

(2) If any director or shareholder of a corporation, whether or not the shareholder is entitled to vote at the meeting, gives written notice, not less than five days or more before a meeting of shareholders, to the auditor or a former auditor of the corporation, the auditor or former auditor shall attend the meeting at the expense of the corporation and answer questions relating to his duties as auditor. Auditor's attendance may be required

(3) A director or shareholder who sends a notice referred to in subsection 2 shall send concurrently a copy of the notice to the corporation. Notice to corporation

(4) No person shall accept appointment or consent to be appointed as auditor of a corporation if he is replacing an auditor who has resigned, been removed or whose term of office has expired or is about to expire until he has requested and received from that auditor a written statement of the circumstances and the reasons why, in that auditor's opinion, he is to be replaced. Replacing auditor

(5) Notwithstanding subsection 4, a person otherwise qualified may accept appointment or consent to be appointed as auditor of a corporation if, within fifteen days after making the request referred to in that subsection, he does not receive a reply. Idem

(6) Any interested person may apply to the court for an order declaring an auditor to be disqualified and the office of auditor to Idem

be vacant if the auditor has not complied with subsection 4, unless subsection 5 applies with respect to the appointment of the auditor.

Statement by auditor privileged (7) Any oral or written statement or report made under this Act by the auditor or former auditor of the corporation has qualified privilege. R.S.O. 1970, c. 53, s. 171; 1972, c. 138, s. 48, *amended*.

Disqualification as auditor **150.**—(1) Subject to subsection 5, a person is disqualified from being an auditor of a corporation if he is not independent of the corporation, all of its affiliates, or of the directors or officers of the corporation and its affiliates.

Independence (2) For the purposes of this section,

- (a) independence is a question of fact; and
- (b) a person is deemed not to be independent if he or his business partner,
 - (i) is a business partner, director, officer or employee of the corporation or any of its affiliates, or a business partner of any director, officer or employee of the corporation or any of its affiliates,
 - (ii) beneficially owns directly or indirectly or exercises control or direction over a material interest in the securities of the corporation or any of its affiliates, or
 - (iii) has been a receiver, receiver and manager, liquidator or trustee in bankruptcy of the corporation or any of its affiliates within two years of his proposed appointment as auditor of the corporation.

Resignation by auditor (3) An auditor who becomes disqualified under this section shall, subject to subsection 5, resign forthwith upon becoming aware of his disqualification.

Application to court (4) An interested person may apply to the court for an order declaring an auditor to be disqualified under this section and the office of auditor to be vacant.

Idem (5) An interested person may apply to the court for an order exempting an auditor from disqualification under this section and the court may, if it is satisfied that an exemption would not unfairly prejudice the shareholders, make an exemption order on

such terms as it thinks fit, which order may have retrospective effect. R.S.O. 1970, c. 53, s. 170, *amended*.

151.—(1) An auditor of a corporation shall make such examination of the financial statements required by this Act to be placed before shareholders as is necessary to enable him to report thereon and he shall report as prescribed and in accordance with generally accepted auditing standards. Examination
by auditor

(2) A director or an officer of a corporation shall forthwith notify the audit committee and the auditor or the former auditor of any error or misstatement of which he becomes aware in a financial statement that the auditor or the former auditor has reported upon if the error or misstatement in all the circumstances appears to be significant. Reporting error

(3) If the auditor or former auditor of a corporation is notified or becomes aware of an error or misstatement in a financial statement upon which he has reported, and if in his opinion the error or misstatement is material, he shall inform each director accordingly. Idem

(4) When under subsection 3 the auditor or former auditor informs the directors of an error or misstatement in a financial statement, the directors shall within a reasonable time, Amendment of
auditor's report

(a) prepare and issue revised financial statements; or

(b) otherwise inform the shareholders.

(5) Upon the demand of an auditor of a corporation, the present or former directors, officers, employees or agents of the corporation shall furnish such, Right of access

(a) information and explanations; and

(b) access to records, documents, books, accounts and vouchers of the corporation or any of its subsidiaries,

as are, in the opinion of the auditor, necessary to enable him to make the examination and report required under this section and that the directors, officers, employees or agents are reasonably able to furnish.

(6) Upon the demand of the auditor of a corporation, the directors of the corporation shall, Furnishing
information

(a) obtain from the present or former directors, officers, employees and agents of any subsidiary of the corporation the information and explanations that the present or

former directors, officers, employees and agents are reasonably able to furnish and that are, in the opinion of the auditor, necessary to enable him to make the examination and report required under this section; and

- (b) furnish the information and explanations so obtained to the auditor.

Idem

(7) Any oral or written communication under this section between the auditor or former auditor of a corporation and its present or former directors, officers, employees or agents or those of any subsidiary of the corporation, has qualified privilege. R.S.O. 1970, c. 53, s. 171; 1972, c. 138, s. 48, *amended*.

Information to
be laid before
annual meeting

152.—(1) The directors shall place before each annual meeting of shareholders,

- (a) in the case of a corporation that is not an offering corporation, financial statements for the period that began on the date the corporation came into existence and ended not more than six months before the annual meeting or, if the corporation has completed a financial year, the period that began immediately after the end of the last completed financial year and ended not more than six months before the annual meeting;

1978, c. 47

- (b) in the case of a corporation that is an offering corporation, the financial statements required to be filed under *The Securities Act, 1978* and the regulations thereunder relating separately to,

- (i) the period that began on the date the corporation came into existence and ended not more than six months before the annual meeting or, if the corporation has completed a financial year, the period that began immediately after the end of the last completed financial year and ended not more than six months before the annual meeting, and

- (ii) the immediately preceding financial year if any;

- (c) the report of the auditor, if any, to the shareholders; and

- (d) any further information respecting the financial position of the corporation and the results of its operations required by the articles, the by-laws or any unanimous shareholder agreement.

Auditor's
report

(2) Except as provided in subsection 1 of section 103, the report of the auditor to the shareholders shall be open to inspection at the annual meeting by any shareholder.

(3) A corporation shall, not less than twenty-one days, in the case of an offering corporation, and ten days, in the case of a corporation that is not an offering corporation, before each annual meeting of shareholders or before the signing of a resolution under clause *b* of subsection 1 of section 103 in lieu of the annual meeting, send a copy of the documents referred to in this section to each shareholder, except to a shareholder who has informed the corporation in writing that he does not wish to receive a copy of those documents. R.S.O. 1970, c. 53, s. 172; 1972, c. 138, s. 49; 1978, c. 49, s. 7, *amended*. Copy of documents to shareholders

153. The financial statements required under this Act shall be prepared as prescribed by regulation and in accordance with generally accepted accounting principles. *New*. Preparation of financial statements

154. An offering corporation shall prepare and file with the Commission the financial statements required under Part XVII of *The Securities Act, 1978*. Filing by offering corporation
1978, c. 47

155.—(1) True copies of the latest financial statements of each subsidiary of a holding corporation shall be kept on hand by the holding corporation at its registered office and shall be open to examination by the shareholders of the holding corporation and their agents and legal representatives who may make extracts therefrom free of charge on request during the normal business hours of the holding corporation. Financial statements of subsidiaries

(2) A corporation may, within fifteen days after a request to examine under subsection 1, apply to the court for an order barring the right of any person to so examine, and the court may, if satisfied that such examination would be detrimental to the corporation or a subsidiary body corporate, bar such right and make any further order it thinks fit. R.S.O. 1970, c. 53, s. 179 (3), *amended*. Application to court

156.—(1) A corporation that is an offering corporation shall, and any other corporation may, have an audit committee composed of not fewer than three directors of the corporation, a majority of whom are not officers or employees of the corporation or any of its affiliates, to hold office until the next annual meeting of the shareholders. Audit committee

(2) An audit committee shall review the financial statements of the corporation and shall report thereon to the board of directors of the corporation before such financial statements are approved under section 157. Idem

(3) The auditor of a corporation is entitled to receive notice of every meeting of the audit committee and, at the expense of the corporation, to attend and be heard thereat, and, if so requested Auditor may attend committee meetings

by a member of the audit committee, shall attend every meeting of the committee held during the term of office of the auditor.

Calling
meetings of
committee

(4) The auditor of a corporation or a member of the audit committee may call a meeting of the committee.

Right of
auditor to be
heard

(5) The auditor of a corporation shall be entitled to attend at the expense of the corporation and be heard at meetings of the board of directors of the corporation on matters relating to his duties as auditor. R.S.O. 1970, c. 53, s. 182; 1972, c. 138, s. 53, *amended*.

Approval by
directors

157.—(1) The financial statements shall be approved by the board of directors and the approval shall be evidenced by the signature at the foot of the balance sheet by two of the directors duly authorized to sign or by the director where there is only one, and the auditor's report, unless the corporation is exempt under section 147, shall be attached to or accompany the financial statements. R.S.O. 1970, c. 53, s. 183; 1972, c. 138, s. 53.

Publishing,
etc., copies of
financial
statements

(2) A corporation shall not issue, publish or circulate copies of the financial statements referred to in section 152 unless the financial statements are,

(a) approved and signed in accordance with subsection 1; and

(b) accompanied by the report of the auditor of the corporation, if any. *New*.

Interim
financial
statement
1978, c. 47

158.—(1) An offering corporation shall send to each shareholder a copy of an interim financial statement required to be filed under *The Securities Act, 1978* and the regulations thereunder.

Idem

(2) The interim financial statement required by subsection 1 shall be sent to each shareholder, within sixty days of the date to which it is made up, at his latest address as shown on the records of the corporation. 1978, c. 49, s. 12, *part*.

PART XII

INVESTIGATION

Investigation

159.—(1) A security holder of a corporation and, in the case of an offering corporation, the Commission may apply, *ex parte* or upon such notice as the court may require, to the court for an order directing an investigation to be made of the corporation and any of its affiliates.

(2) Where, upon an application under subsection 1, it appears ^{Idem} to the court that,

- (a) the business of the corporation or any of its affiliates is or has been carried on with intent to defraud any person;
- (b) the business or affairs of the corporation or any of its affiliates are or have been carried on or conducted, or the powers of the directors are or have been exercised, in a manner that is oppressive or unfairly prejudicial to, or that unfairly disregards, the interests of a security holder;
- (c) the corporation or any of its affiliates was formed for a fraudulent or unlawful purpose or is to be dissolved for a fraudulent or unlawful purpose; or
- (d) persons concerned with the formation, business or affairs of the corporation or any of its affiliates have in connection therewith acted fraudulently or dishonestly,

the court may order an investigation to be made of the corporation and any of its affiliates.

(3) Where a security holder makes an application under subsection 1, he shall give the Director and, if the corporation is an offering corporation, the Commission, reasonable notice thereof and the Director and, if the corporation is an offering corporation, the Commission are entitled to appear and be heard in person or by counsel. ^{Notice}

(4) An applicant under this section is not required to give security for costs. ^{Security for costs not required}

(5) An *ex parte* application under this section shall be heard *in camera*. ^{*Ex parte* application}

(6) No person may publish anything relating to *ex parte* proceedings under this section except with the authorization of the court or the written consent of the corporation being investigated. R.S.O. 1970, c. 58, s. 186, *part, amended*. ^{No publication without consent}

160.—(1) In connection with an investigation under this Part, the court may make any order it thinks fit including, without limiting the generality of the foregoing, ^{Matters that may be covered by court order}

- (a) an order to investigate;
- (b) an order appointing and fixing the remuneration of an inspector or replacing an inspector;

- (c) an order determining the notice to be given to any interested person, or dispensing with notice to any person;
- (d) an order authorizing an inspector to enter any premises in which the court is satisfied there might be relevant information, and to examine any thing and make copies of any document or record found on the premises;
- (e) an order requiring any person to produce documents or records to the inspector;
- (f) an order authorizing an inspector to conduct a hearing, administer oaths and examine any person upon oath, and prescribing rules for the conduct of the hearing;
- (g) an order requiring any person to attend a hearing conducted by an inspector and to give evidence upon oath;
- (h) an order giving directions to an inspector or any interested person on any matter arising in the investigation;
- (i) an order requiring an inspector to make an interim or final report to the court;
- (j) an order determining whether a report of an inspector should be made available for public inspection and ordering that copies be sent to any person the court designates;
- (k) an order requiring an inspector to discontinue an investigation;
- (l) an order requiring the corporation to pay the costs of the investigation.

Inspector's
report

(2) An inspector shall send to the Director and, where an offering corporation is involved, the Commission, a copy of every report made by the inspector under this Part which, subject to clause *j* of subsection 1, shall be placed on the corporation file for public inspection. R.S.O. 1970, c. 53, s. 186, *part*; 1971, c. 26, s. 31, *amended*.

Powers of
inspector

161.—(1) An inspector under this Part has the powers set out in the order appointing him.

(2) In addition to the powers set out in the order appointing ^{Idem} him, an inspector appointed to investigate a corporation may furnish to, or exchange information and otherwise co-operate with, any public official in Canada or elsewhere who is authorized to exercise investigatory powers and who is investigating, in respect of the corporation, any allegation of improper conduct that is the same as, or similar to, the conduct described in subsection 2 of section 159.

(3) An inspector shall produce upon request to an interested ^{Production of order} person a copy of any order made under subsection 1 of section 160. R.S.O. 1970, c. 53, s. 186 (1), *amended*.

162.—(1) Any interested person may apply to the court for ^{Hearing in camera} an order that a hearing conducted under this Part be heard *in camera* and for directions on any matter arising in the investigation.

(2) A person whose conduct is being investigated or who is ^{Right to counsel} being examined at a hearing conducted by an inspector under this Part has a right to be represented by counsel. *New*.

163. Any oral or written statement or report made by an ^{Privileged statements} inspector or any other person in an investigation under this Part has absolute privilege. *New*.

164. Nothing in this Part shall be construed to affect the ^{Solicitor-client privilege} privilege that exists in respect of communications between a solicitor and his client. *New*.

165. The Director may make inquiries of any person relating ^{Inquiries by Director} to compliance with this Act. *New*.

PART XIII

FUNDAMENTAL CHANGES

166.—(1) Subject to sections 168 and 169, a corporation may ^{Amendments} from time to time amend its articles to add, change or remove any provision that is permitted by this Act to be, or that is, set out in its articles, including without limiting the generality of the foregoing, to,

(a) change its name;

- (b) change the municipality or geographic township in which its registered office is located;
- (c) add, change or remove any restriction upon the business or businesses that the corporation may carry on or upon the powers that the corporation may exercise;
- (d) add, change or remove any maximum number of shares that the corporation is authorized to issue or any maximum consideration for which any shares of the corporation are authorized to be issued;
- (e) create new classes of shares;
- (f) increase or reduce its stated capital which, for the purposes of the amendment, is deemed to be set out in the articles;
- (g) change the designation of all or any of its shares, and add, change or remove any rights, privileges, restrictions and conditions, including rights to accrued dividends, in respect of all or any of its shares, whether issued or unissued;
- (h) change the shares of any class or series, whether issued or unissued, into a different number of shares of the same class or series or into the same or a different number of shares of other classes or series;
- (i) divide a class of shares, whether issued or unissued, into series and fix the number of shares in each series and the rights, privileges, restrictions and conditions thereof;
- (j) authorize the directors to divide any class of unissued shares into series and fix the number of shares in each series and the rights, privileges, restrictions and conditions thereof;
- (k) authorize the directors to change the rights, privileges, restrictions and conditions attached to unissued shares of any series;
- (l) revoke, diminish or enlarge any authority conferred under clauses *j* and *k*;

(*m*) subject to sections 119 and 124, increase or decrease the number, or minimum or maximum number, of directors; and

(*n*) add, change or remove restrictions on the issue or transfer of shares of any class or series.

(2) The directors of a corporation may, if so authorized by a special resolution effecting an amendment under this section, revoke the resolution without further approval of the shareholders at any time prior to the endorsement by the Director of a certificate of amendment of articles in respect of such amendment. Revocation of resolution

(3) Notwithstanding subsection 1, where a corporation has a number name, the directors may amend its articles to change that name to a name that is not a number name. Change of number name

(4) An amendment under subsection 1 shall be authorized by a special resolution and an amendment under subsection 3 may be authorized by a resolution of the directors. Authorization

(5) This section does not apply to a corporation incorporated by special Act, except that a corporation incorporated by special Act, including a corporation to which *The Railways Act*, being chapter 331 of the Revised Statutes of Ontario, 1950, applies, may under this section amend its articles to change its name. R.S.O. 1970, c. 53, s. 189; 1971, c. 26, s. 32, *amended*. Special Act corporations excepted

167.—(1) The directors or any shareholder who is entitled to vote at an annual meeting of shareholders may, in accordance with section 98, make a proposal to amend the articles. Proposal to amend articles

(2) Notice of a meeting of shareholders at which a proposal to amend the articles is to be considered shall set out the proposed amendment and, where applicable, shall state that a dissenting shareholder is entitled to be paid the fair value of his shares in accordance with section 183, but failure to make that statement does not invalidate an amendment. *New*. Idem

168.—(1) The holders of shares of a class or, subject to subsection 2, of a series are, unless the articles otherwise provide in the case of an amendment referred to in clause *a*, *b* or *e*, entitled to vote separately as a class or series upon a proposal to amend the articles to, Authorization for variation of rights of special shareholders

(*a*) increase or decrease any maximum number of authorized shares of such class or series, or increase any maximum number of authorized shares of a class or

series having rights or privileges equal or superior to the shares of such class or series;

- (b) effect an exchange, reclassification or cancellation of the shares of such class or series;
- (c) add to, remove or change the rights, privileges, restrictions or conditions attached to the shares of such class or series and, without limiting the generality of the foregoing,
 - (i) remove or change prejudicially rights to accrued dividends or rights to cumulative dividends,
 - (ii) add, remove or change prejudicially redemption rights or sinking fund provisions,
 - (iii) reduce or remove a dividend preference or a liquidation preference, or
 - (iv) add, remove or change prejudicially conversion privileges, options, voting, transfer or pre-emptive rights, or rights to acquire securities of a corporation;
- (d) add to the rights or privileges of any class or series of shares having rights or privileges equal or superior to the shares of such class or series;
- (e) create a new class or series of shares equal or superior to the shares of such class or series, except in the case of a series under section 25;
- (f) make any class or series of shares having rights or privileges inferior to the shares of such class or series equal or superior to the shares of such class or series;
- (g) effect an exchange or create a right of exchange of the shares of another class or series into the shares of such class or series; or
- (h) add, remove or change restrictions on the transfer of such class or series.

Idem

(2) The holders of a series of shares of a class are entitled to vote separately as a series under subsection 1 only if such series is

affected by an amendment in a manner different from other shares of the same class.

(3) Subsection 1 applies whether or not shares of a class or series otherwise carry the right to vote. Idem

(4) A proposed amendment to the articles referred to in subsection 1 is adopted when the shareholders have approved the amendment by a special resolution of the holders of the shares of each class or series entitled to vote thereon. R.S.O. 1970, c. 53, s. 189 (4), *amended*. Idem

169.—(1) Articles of amendment in prescribed form shall be sent to the Director. Articles of amendment sent to Director

(2) If an amendment effects or requires a reduction of stated capital, subsections 4 and 5 of section 34 apply. Application of s. 34 (4, 5)

(3) No corporation shall change its name if, Change of name

(a) the corporation is unable to pay its liabilities as they become due; or

(b) the realizable value of the corporation's assets is less than the aggregate of its liabilities. 1979, c. 36, s. 12, *amended*.

170. Upon receipt of articles of amendment, the Director shall endorse thereon in accordance with section 271 a certificate of amendment. 1979, c. 36, s. 13, *amended*. Certificate of amendment

171.—(1) The directors may at any time restate the articles of incorporation as amended. Restated articles of incorporation

(2) Restated articles of incorporation in prescribed form shall be sent to the Director. Idem

(3) Upon receipt of restated articles of incorporation, the Director shall endorse thereon in accordance with section 271 a certificate which shall constitute the restated certificate of incorporation. Restated certificate of incorporation

(4) Restated articles of incorporation supersede the original articles of incorporation and all amendments thereto. 1979, c. 36, s. 14, *amended*. Idem

Amalgamation **172.** Two or more corporations, including holding or subsidiary corporations, may amalgamate and continue as one corporation. R.S.O. 1970, c. 53, s. 196 (1).

Amalgamation agreement **173.**—(1) Where corporations propose to amalgamate, each such corporation shall enter into an agreement setting out the terms and means of effecting the amalgamation and, in particular, setting out,

- (a) the provisions that are required to be included in articles of incorporation under section 5;
- (b) subject to subsection 2, the basis upon which and manner in which the holders of the issued shares of each amalgamating corporation are to receive,
 - (i) securities of the amalgamated corporation,
 - (ii) money, or
 - (iii) securities of any body corporate other than the amalgamated corporation,
 in the amalgamation;
- (c) the manner of payment of money instead of the issue of fractional shares of the amalgamated corporation or of any other body corporate the securities of which are to be received in the amalgamation;
- (d) whether the by-laws of the amalgamated corporation are to be those of one of the amalgamating corporations and the address where a copy of the proposed by-laws may be examined; and
- (e) such other details as may be necessary to perfect the amalgamation and to provide for the subsequent management and operation of the amalgamated corporation. R.S.O. 1970, c. 53, s. 196 (2); 1971, c. 26, s. 34, *amended*.

Shares of
amalgamating
corporation
held by
another

(2) Where shares of one of the amalgamating corporations are held by or on behalf of another of the amalgamating corporations, the amalgamation agreement shall provide for the cancellation of such shares upon the amalgamation becoming effective without any repayment of capital in respect thereof, and no provision shall be made in the agreement for the conversion of such shares into

shares of the amalgamated corporation. R.S.O. 1970, c. 53, s. 196 (3).

174.—(1) The directors of each amalgamating corporation shall submit the amalgamation agreement for approval at a meeting of the shareholders of the amalgamating corporation of which they are directors and, subject to subsection 3, of the holders of shares of each class or series entitled to vote thereon.

Submission of
amalgamation
agreement

(2) The notice of the meeting of shareholders of each amalgamating corporation shall include or be accompanied by,

Notice of
meeting

(a) a copy or summary of the amalgamation agreement; and

(b) a statement that a dissenting shareholder is entitled to be paid the fair value of his shares in accordance with section 183, but failure to make that statement does not invalidate an amalgamation.

(3) The holders of a class or series of shares of an amalgamating corporation, whether or not they are otherwise entitled to vote, are entitled to vote separately as a class or series in respect of an amalgamation if the amalgamation agreement contains a provision that, if contained in a proposed amendment to the articles, would entitle such holders to vote separately as a class or series under section 168.

Voting by
class, etc.

(4) An amalgamation agreement is adopted when the shareholders of each amalgamating corporation have approved of the amalgamation by a special resolution of the holders of the shares of each class or series entitled to vote thereon.

Adoption of
amalgamation
agreement

(5) An amalgamation agreement may provide that at any time before the endorsement of a certificate of amalgamation the agreement may be terminated by the directors of an amalgamating corporation, notwithstanding approval of the agreement by the shareholders of all or any of the amalgamating corporations.
New.

Termination
of
agreement

175.—(1) A holding corporation and one or more of its wholly-owned subsidiary corporations may amalgamate and continue as one corporation without complying with sections 173 and 174 if,

Amalgamation
of holding
corporation
and its
subsidiary

(a) the amalgamation is approved by a resolution of the directors of each amalgamating corporation; and

(b) the resolutions provide that,

(i) the shares of each amalgamating subsidiary corporation shall be cancelled without any repayment of capital in respect thereof,

- (ii) except as may be prescribed, the articles of amalgamation shall be the same as the articles of the amalgamating holding corporation, and
- (iii) no securities shall be issued and no assets shall be distributed by the amalgamated corporation in connection with the amalgamation.

Amalgamation
of
subsidiaries

(2) Two or more wholly-owned subsidiary corporations of the same holding body corporate may amalgamate and continue as one corporation without complying with sections 173 and 174 if,

- (a) the amalgamation is approved by a resolution of the directors of each amalgamating corporation; and
- (b) the resolutions provide that,
 - (i) the shares of all but one of the amalgamating subsidiary corporations shall be cancelled without any repayment of capital in respect thereof,
 - (ii) except as may be prescribed, the articles of amalgamation shall be the same as the articles of the amalgamating subsidiary corporation whose shares are not cancelled, and
 - (iii) the stated capital of the amalgamating subsidiary corporations whose shares are cancelled shall be added to the stated capital of the amalgamating subsidiary corporation whose shares are not cancelled. *New.*

Articles of
amalgamation
to be sent to
Director

176.—(1) Subject to subsection 5 of section 174, after an amalgamation has been adopted under section 174 or approved under section 175, articles of amalgamation in prescribed form shall be sent to the Director.

Director's
statement

(2) The articles of amalgamation shall have attached thereto a statement of a director or an officer of each amalgamating corporation stating that,

- (a) there are reasonable grounds for believing that,
 - (i) each amalgamating corporation is and the amalgamated corporation will be able to pay its liabilities as they become due, and

- (ii) the realizable value of the amalgamated corporation's assets will not be less than the aggregate of its liabilities and stated capital of all classes;

(b) there are reasonable grounds for believing that,

- (i) no creditor will be prejudiced by the amalgamation, or

- (ii) adequate notice has been given to all known creditors of the amalgamating corporations;

(c) the grounds upon which the objections of all creditors who have notified the corporation that they object to the amalgamation, setting forth with reasonable particularity the grounds for such objections, are either frivolous or vexatious; and

(d) the corporation has given notice to each person who has, in the manner referred to in clause c, notified the corporation of his objection to the amalgamation, that,

- (i) the grounds upon which his objection is based are considered to be frivolous or vexatious, and

- (ii) a creditor of a corporation who objects to an amalgamation has the status of a complainant under section 246.

(3) For the purposes of subsection 2, adequate notice is given if, ^{Notice}

(a) a notice in writing is sent to each known creditor having a claim against the corporation that exceeds \$2,500, at the last address of the creditor known to the corporation;

(b) a notice is published once in a newspaper published or distributed in the place where the corporation has its registered office; and

(c) each notice states that the corporation intends to amalgamate with one or more specified corporations in accordance with this Act unless a creditor of the corporation objects to the amalgamation within thirty days from the date of the notice.

(4) Upon receipt of articles of amalgamation, the Director shall ^{Certificate of amalgamation} endorse thereon in accordance with section 271 a certificate which

shall constitute the certificate of amalgamation. 1979, c. 36, s. 16, *part, amended*.

Effect of
certificate

177. Upon the articles of amalgamation becoming effective,

- (a) the amalgamating corporations are amalgamated and continue as one corporation under the terms and conditions prescribed in the amalgamation agreement;
- (b) the amalgamated corporation possesses all the property, rights, privileges and franchises and is subject to all liabilities, including civil, criminal and quasi-criminal, and all contracts, disabilities and debts of each of the amalgamating corporations;
- (c) a conviction against, or ruling, order or judgment in favour or against an amalgamating corporation may be enforced by or against the amalgamated corporation;
- (d) the articles of amalgamation are deemed to be the articles of incorporation of the amalgamated corporation and, except for the purposes of subsection 1 of section 116, the certificate of amalgamation is deemed to be the certificate of incorporation of the amalgamated corporation;
- (e) the amalgamated corporation shall be deemed to be the party plaintiff or the party defendant, as the case may be, in any civil action commenced by or against an amalgamating corporation before the amalgamation has become effective. 1979, c. 36, s. 16, *part, amended*.

Articles of
continuance

178.—(1) A body corporate incorporated under the laws of any jurisdiction other than Ontario may, if it appears to the Director to be thereunto authorized by the laws of the jurisdiction in which it was incorporated, apply to the Director for a certificate of continuance. 1972, c. 138, s. 55, *part*; 1979, c. 36, s. 17, *part, amended*.

Idem

(2) Articles of continuance in prescribed form shall be sent to the Director together with any other prescribed documents.

Amendments
to original
articles

(3) The articles of continuance shall make any amendments to the original or restated articles of incorporation, articles of amalgamation, letters patent, supplementary letters patent, a special Act and any other instrument by which the body corporate was incorporated and any amendments thereto necessary to make the

articles of continuance conform to the laws of Ontario, and may make such other amendments as would be permitted under this Act if the body corporate were incorporated under the laws of Ontario, provided that at least the same shareholder approval has been obtained for such other amendments as would have been required under this Part if the body corporate were incorporated under the laws of Ontario. 1972, c. 138, s. 55, *part, amended*.

(4) Upon receipt of articles of continuance and any other prescribed documents, the Director may, on such terms and subject to such limitations and conditions as he considers proper, endorse thereon in accordance with section 271 a certificate which shall constitute the certificate of continuance. Endorsement of certificate of continuance

(5) Upon the articles of continuance becoming effective, Effect of certificate

- (a) the body corporate becomes a corporation to which this Act applies as if it had been incorporated under this Act;
- (b) the articles of continuance are deemed to be the articles of incorporation of the continued corporation; and
- (c) except for the purposes of subsection 1 of section 116, the certificate of continuance is deemed to be the certificate of incorporation of the continued corporation.

(6) The Director shall send a copy of the certificate of continuance to the appropriate official or public body in the jurisdiction in which continuance under the Act was authorized. 1979, c. 53, s. 17, *part, amended*. Copy of certificate of continuance

(7) When a body corporate is continued as a corporation under this Act, Rights, liabilities, etc., preserved

- (a) the corporation possesses all the property, rights, privileges and franchises and is subject to all the liabilities, including civil, criminal and quasi-criminal, and all contracts, disabilities and debts of the body corporate;
- (b) a conviction against, or ruling, order or judgment in favour of or against, the body corporate may be enforced by or against the corporation; and
- (c) the corporation shall be deemed to be the party plaintiff or the party defendant, as the case may be, in any civil action commenced by or against the body corporate. R.S.O. 1970, c. 53, s. 200, *amended*.

Shares issued
before body
corporate con-
tinued under
this Act

(8) Subject to subsection 3 of section 55, a share of a body corporate issued before the body corporate was continued under this Act shall be deemed to have been issued in compliance with this Act and with the provisions of the articles of continuance, irrespective that the share is not fully paid and of any designation, rights, privileges, restrictions or conditions set out on or referred to in the certificate representing the share, and continuance under this section does not deprive a holder of any right or privilege that he claims under, or relieve him of any liability in respect of, an issued share. *New.*

Transfer of
Ontario cor-
porations

179.—(1) Subject to subsection 9, a corporation may, if it is authorized by the shareholders and the Director in accordance with this section, apply to the appropriate official or public body of another jurisdiction requesting that the corporation be continued as if it had been incorporated under the laws of that other jurisdiction.

Notice to
shareholders

(2) The notice of the meeting of shareholders shall include or be accompanied by a statement that a dissenting shareholder is entitled to be paid the fair value of his shares in accordance with section 183, but failure to make that statement does not invalidate an authorization under clause *a* of subsection 3.

Application for
continuance

(3) An application for continuance becomes authorized,

(a) by the shareholders when the shareholders voting thereon have approved of the continuance by a special resolution; and

(b) by the Director when, following receipt from the corporation of an application in prescribed form, he endorses an authorization on the application.

Authorization
by Director

(4) The Director may endorse the authorization if he is satisfied that the application is not prohibited by subsection 9.

Abandoning
application

(5) The directors of a corporation may, if authorized by the shareholders, abandon an application without further approval of the shareholders.

Time limit
to Director's
authorization

(6) The authorization of the Director for an application for continuance expires ninety days after the date of endorsement of the authorization unless, within the ninety day period, the corporation is continued under the laws of the other jurisdiction.

Filing
instrument
of
continuance

(7) The corporation shall file with the Director a copy of the instrument of continuance issued to it by the other jurisdiction within sixty days after the date of issuance.

(8) This Act ceases to apply to the corporation on the date upon which the corporation is continued under the laws of the other jurisdiction. Effective date

(9) A corporation shall not apply under subsection 1 to be continued as a body corporate under the laws of another jurisdiction unless those laws provide in effect that, Continuance in outside jurisdiction

- (a) the property of the corporation continues to be the property of the body corporate;
- (b) the body corporate continues to be liable for the obligations of the corporation;
- (c) an existing cause of action, claim or liability to prosecution is unaffected;
- (d) a civil, criminal or administrative action or proceeding pending by or against the corporation may be continued to be prosecuted by or against the body corporate; and
- (e) a conviction against the corporation may be enforced against the body corporate or a ruling, order or judgment in favour of or against the corporation may be enforced by or against the body corporate. 1971, c. 26, s. 37; 1972, c. 138, s. 56, *amended*.

180.—(1) In this section, “arrangement”, with respect to a corporation, includes, Arrangement

- (a) a reorganization of the shares of any class or series of the corporation or of the stated capital of any such class or series;
- (b) the addition to or removal from the articles of the corporation of any provision that is permitted by this Act to be, or that is, set out in the articles or the change of any such provision;
- (c) an amalgamation of the corporation with another corporation;
- (d) an amalgamation of a body corporate with a corporation that results in an amalgamated corporation subject to this Act;
- (e) a transfer of all or substantially all the property of the corporation to another body corporate in exchange for securities, money or other property of the body corporate;

1978, c. 47

(f) an exchange of securities of the corporation held by security holders for other securities, money or other property of the corporation or securities, money or other property of another body corporate that is not a take-over bid as defined in Part XIX of *The Securities Act, 1978*;

(g) a liquidation or dissolution of the corporation;

(h) any other reorganization or scheme involving the business or affairs of the corporation or of any or all of the holders of its securities or of any options or rights to acquire any of its securities that is, at law, an arrangement; and

(i) any combination of the foregoing. R.S.O. 1970, c. 53, s. 193 (1), *amended*.

Scheme of
arrangement

(2) A corporation proposing an arrangement shall prepare, for the approval of the shareholders, a statement thereof setting out in detail what is proposed to be done and the manner in which it is proposed to be done.

Adoption of
arrangement

(3) Subject to any order of the court made under subsection 5, where an arrangement has been approved by shareholders of a corporation and by holders of shares of each class or series entitled to vote separately thereon, in each case by special resolution, the arrangement shall have been adopted by the shareholders of the corporation and the corporation may apply to the court for an order approving the arrangement.

Separate
votes

(4) The holders of shares of a class or series of shares of a corporation are not entitled to vote separately as a class or series in respect of an arrangement unless the statement of the arrangement referred to in subsection 2 contains a provision that, if contained in a proposed amendment to the articles, would entitle such holders to vote separately as a class or series under section 168 and, if the statement of the arrangement contains such a provision, such holders are entitled to vote separately on the arrangement whether or not such shares otherwise carry the right to vote.

Application
to court

(5) The corporation may, at any time, apply to the court for advice and directions in connection with an arrangement or proposed arrangement and the court may make such order as it considers appropriate, including, without limiting the generality of the foregoing,

(a) an order determining the notice to be given to any interested person or dispensing with notice to any person;

- (b) an order requiring a corporation to call, hold and conduct an additional meeting of, or to hold a separate vote of, all or any particular group of holders of any securities or warrants of the corporation in such manner as the court directs;
- (c) an order permitting a shareholder to dissent under section 183 if the arrangement is adopted;
- (d) an order appointing counsel, at the expense of the corporation, to represent the interests of shareholders;
- (e) an order that the arrangement or proposed arrangement shall be deemed not to have been adopted by the shareholders of the corporation unless it has been approved by a specified majority that is greater than two-thirds of the votes cast at a meeting of the holders, or any particular group of holders, of securities or warrants of the corporation; and
- (f) an order approving the arrangement as proposed by the corporation or as amended in any manner the court may direct, subject to compliance with such terms and conditions, if any, as the court thinks fit,

and to the extent that any such order is inconsistent with a provision of this section such order shall prevail.

(6) Where a reorganization or scheme is proposed as an arrangement and involves an amendment of the articles of a corporation or the taking of any other steps that could be made or taken under any other provision of this Act, the procedure provided for in this section, and not the procedure provided for in such other provision, applies to such reorganization or scheme. Procedure

(7) Where an amendment of articles is proposed to be made under section 166 that could be made under this section, the procedure provided for in section 166 and not the procedure provided for in this section applies in respect of the amendment. Idem

(8) An applicant under this section shall give the Director notice of the application, and the Director is entitled to appear and be heard in person or by counsel. R.S.O. 1970, c. 53, s. 194 (2-8), *amended*. Director entitled to be heard

181.—(1) After an order referred to in clause *f* of subsection 5 of section 180 has been made, articles of arrangement in prescribed form shall be sent to the Director. Articles of arrangement sent to Director

Certificate of
arrangement

(2) Upon receipt of articles of arrangement the Director shall endorse thereon in accordance with section 271 a certificate which shall constitute the certificate of arrangement. *New.*

Borrowing
powers

182.—(1) Unless the articles or by-laws of or a unanimous shareholder agreement otherwise provide, the articles of a corporation shall be deemed to state that the directors of a corporation may, without authorization of the shareholders,

- (a) borrow money upon the credit of the corporation;
- (b) issue, reissue, sell or pledge debt obligations of the corporation;
- (c) subject to section 20, give a guarantee on behalf of the corporation to secure performance of an obligation of any person; and
- (d) mortgage, hypothecate, pledge or otherwise create a security interest in all or any property of the corporation, owned or subsequently acquired, to secure any obligation of the corporation.

Delegation of
powers

(2) Unless the articles or by-laws of or a unanimous shareholder agreement relating to a corporation otherwise provide, the directors may by resolution delegate any or all of the powers referred to in subsection 1 to a director, a committee of directors or an officer. R.S.O. 1970, c. 53, s. 53, *amended*.

Sale, etc.,
requires
approval of
shareholders

(3) A sale, lease or exchange of all or substantially all the property of a corporation other than in the ordinary course of business of the corporation requires the approval of the shareholders in accordance with subsections 4 to 8.

Notice

(4) The notice of a meeting of shareholders to approve a transaction referred to in subsection 3 shall include or be accompanied by,

- (a) a copy or summary of the agreement of sale, lease or exchange; and
- (b) a statement that a dissenting shareholder is entitled to be paid the fair value of his shares in accordance with section 183, but failure to make that statement does not invalidate a sale, lease or exchange referred to in subsection 3.

(5) At the meeting referred to in subsection 4, the shareholders may authorize the sale, lease or exchange and may fix or authorize the directors to fix any of the terms and conditions thereof. Shareholders may authorize sale, etc.

(6) If a sale, lease or exchange by a corporation referred to in subsection 3 would affect a particular class or series of shares of the corporation in a manner different from the shares of another class or series of the corporation entitled to vote on the sale, lease or exchange at the meeting referred to in subsection 4, the holders of such first mentioned class or series of shares, whether or not they are otherwise entitled to vote, are entitled to vote separately as a class or series in respect to such sale, lease or exchange. Right to vote separately

(7) The approval of a sale, lease or exchange referred to in subsection 3 is effective when the shareholders have approved the sale, lease or exchange by a special resolution of the holders of the shares of each class or series entitled to vote thereon. When approval effective

(8) The directors of a corporation may, if authorized by the shareholders approving a proposed sale, lease or exchange, and subject to the rights of third parties, abandon the sale, lease or exchange without further approval of the shareholders. *New.* Approval by directors

183.—(1) Subject to subsection 3 and to sections 184 and 246, if a corporation resolves to, Rights of dissenting shareholders

- (a) amend its articles under section 166 to add, remove or change restrictions on the transfer of shares of a class or series of the shares of the corporation;
- (b) amend its articles under section 166 to add, remove or change any restriction upon the business or businesses that the corporation may carry on or upon the powers that the corporation may exercise;
- (c) amalgamate with another corporation under sections 173 and 174;
- (d) be continued under the laws of another jurisdiction under section 179; or
- (e) sell, lease or exchange all or substantially all its property under subsection 3 of section 182,

a holder of shares of any class or series entitled to vote on the resolution may dissent.

(2) If a corporation resolves to amend its articles in a manner referred to in subsection 1 of section 168, a holder of shares of any Idem

class or series entitled to vote on the amendment under section 166 or 168 may dissent, except in respect of an amendment referred to in clause *a*, *b* or *e* of subsection 1 of section 168 where the articles provide that the holders of shares of such class or series are not entitled to dissent.

Exception

(3) A shareholder of a corporation incorporated before this Act comes into force is not entitled to dissent under this section in respect of an amendment of the articles of the corporation to the extent that the amendment,

- (a) amends the express terms of any provision of the articles of the corporation to conform to the terms of the provision as deemed to be amended by section 274; or
- (b) deletes from the articles of the corporation all of the objects of the corporation set out in its articles, provided that the deletion is made within three years after this Act comes into force.

Shareholder's
right to be
paid fair
value

(4) In addition to any other right he may have, but subject to subsection 28, a shareholder who complies with this section is entitled, when the action approved by the resolution from which he dissents becomes effective, to be paid by the corporation the fair value of the shares held by him in respect of which he dissents, determined as of the close of business on the day before the resolution was adopted.

No partial
dissent

(5) A dissenting shareholder may only claim under this section with respect to all the shares of a class held by him on behalf of any one beneficial owner and registered in the name of the dissenting shareholder.

Objection

(6) A dissenting shareholder shall send to the corporation, at or before any meeting of shareholders at which a resolution referred to in subsection 1 or 2 is to be voted on, a written objection to the resolution, unless the corporation did not give notice to the shareholder of the purpose of the meeting or of his right to dissent.

Notice of
adoption of
resolution

(7) The corporation shall, within ten days after the shareholders adopt the resolution, send to each shareholder who has filed the objection referred to in subsection 6 notice that the resolution has been adopted, but such notice is not required to be sent to any shareholder who voted for the resolution or who has withdrawn his objection.

Demand for
payment of fair
value

(8) A dissenting shareholder entitled to receive notice under subsection 7 shall, within twenty days after he receives such

notice, or, if he does not receive such notice, within twenty days after he learns that the resolution has been adopted, send to the corporation a written notice containing,

- (a) his name and address;
- (b) the number and class of shares in respect of which he dissents; and
- (c) a demand for payment of the fair value of such shares.

(9) Not later than the thirtieth day after the sending of a notice under subsection 8, a dissenting shareholder shall send the certificates representing the shares in respect of which he dissents to the corporation or its transfer agent. Certificates to be sent in

(10) A dissenting shareholder who fails to comply with subsections 6, 8 and 9 has no right to make a claim under this section. Idem

(11) A corporation or its transfer agent shall endorse on any share certificate received under subsection 9 a notice that the holder is a dissenting shareholder under this section and shall return forthwith the share certificates to the dissenting shareholder. Endorsement on certificate

(12) On sending a notice under subsection 8, a dissenting shareholder ceases to have any rights as a shareholder other than the right to be paid the fair value of his shares as determined under this section except where, Rights of dissenting shareholder

- (a) the dissenting shareholder withdraws his notice before the corporation makes an offer under subsection 13;
- (b) the corporation fails to make an offer in accordance with subsection 13 and the dissenting shareholder withdraws his notice; or
- (c) the directors revoke a resolution to amend the articles under subsection 2 of section 166, terminate an amalgamation agreement under subsection 5 of section 174 or an application for continuance under subsection 5 of section 179, or abandon a sale, lease or exchange under subsection 8 of section 182,

in which case his rights as the holder of the shares in respect of which he has dissented are reinstated as of the date he sent the notice referred to in subsection 8, and he is entitled, upon presentation and surrender to the corporation or its transfer agent of any certificate representing the shares that has been endorsed in

accordance with subsection 11, to be issued a new certificate representing the same number of shares as the certificate so presented, without payment of any fee.

Offer to pay (13) A corporation shall, not later than seven days after the later of the day on which the action approved by the resolution is effective or the day the corporation received the notice referred to in subsection 8, send to each dissenting shareholder who has sent such notice,

(a) a written offer to pay for his shares in an amount considered by the directors of the corporation to be the fair value thereof, accompanied by a statement showing how the fair value was determined; or

(b) if subsection 28 applies, a notification that it is unable lawfully to pay dissenting shareholders for their shares.

Idem (14) Every offer made under subsection 13 for shares of the same class or series shall be on the same terms.

Idem (15) Subject to subsection 28, a corporation shall pay for the shares of a dissenting shareholder within ten days after an offer made under subsection 13 has been accepted, but any such offer lapses if the corporation does not receive an acceptance thereof within thirty days after the offer has been made.

Application to court to fix fair value (16) Where a corporation fails to make an offer under subsection 13 or if a dissenting shareholder fails to accept an offer, the corporation may, within fifty days after the action approved by the resolution is effective or within such further period as the court may allow, apply to the court to fix a fair value for the shares of any dissenting shareholder.

Idem (17) If a corporation fails to apply to the court under subsection 16, a dissenting shareholder may apply to the court for the same purpose within a further period of twenty days or within such further period as the court may allow.

Idem (18) A dissenting shareholder is not required to give security for costs in an application made under subsection 16 or 17.

Costs (19) If a corporation fails to comply with subsection 13, then the costs of a shareholder application under subsection 17 are to be borne by the corporation unless the court otherwise orders.

Notice to shareholders (20) Before making application to the court under subsection 16 or not later than seven days after receiving notice of an application to the court under subsection 17, as the case may be, a corporation

shall give notice to each dissenting shareholder who, at the date upon which the notice is given,

- (a) has sent to the corporation the notice referred to in subsection 8; and
- (b) has not accepted an offer made by the corporation under subsection 13, if such an offer was made,

of the date, place and consequences of the application and of his right to appear and be heard in person or by counsel, and a similar notice shall be given to each dissenting shareholder who, after the date of such first mentioned notice and before termination of the proceedings commenced by the application, satisfies the conditions set out in clauses *a* and *b* within three days after he satisfies such conditions.

(21) All dissenting shareholders who satisfy the conditions set out in clauses *a* and *b* of subsection 20 shall be deemed to be joined as parties to an application under subsection 16 or 17 on the later of the date upon which the application is brought and the date upon which they satisfy the conditions, and shall be bound by the decision rendered by the court in the proceedings commenced by the application. Parties joined

(22) Upon an application to the court under subsection 16 or 17, Idem the court may determine whether any other person is a dissenting shareholder who should be joined as a party, and the court shall fix a fair value for the shares of all dissenting shareholders.

(23) The court may in its discretion appoint one or more appraisers to assist the court to fix a fair value for the shares of the dissenting shareholders. Appraisers

(24) The final order of the court in the proceedings commenced by an application under subsection 16 or 17 shall be rendered against the corporation and in favour of each dissenting shareholder who, whether before or after the date of the order, complies with the conditions set out in clauses *a* and *b* of subsection 20. Final order

(25) The court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective until the date of payment. Interest

(26) Where subsection 28 applies, the corporation shall, within ten days after the pronouncement of an order under subsection 24, notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares. Where corporation unable to pay

Idem

(27) Where subsection 28 applies, a dissenting shareholder, by written notice delivered to the corporation within thirty days after receiving a notice under subsection 26, may,

- (a) withdraw his notice of dissent, in which case the corporation is deemed to consent to the withdrawal and the shareholder is reinstated to his full rights as a shareholder; or
- (b) retain a status as a claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its shareholders.

Idem

(28) A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that,

- (a) the corporation is or, after the payment, would be unable to pay its liabilities as they become due; or
- (b) the realizable value of the corporation's assets would thereby be less than the aggregate of its liabilities.

Court order

(29) Upon application by a corporation that proposes to take any of the actions referred to in subsection 1 or 2, the court may, if satisfied that the proposed action is not in all the circumstances one that should give rise to the rights arising under subsection 4, by order declare that those rights will not arise upon the taking of the proposed action, and the order may be subject to compliance with such terms and conditions as the court thinks fit and notice of any such application and a copy of any order made by the court upon such application shall be served upon the Director and, if the corporation is an offering corporation, upon the Commission.

Director may appear

(30) The Director and, in the case of an offering corporation, the Commission may appoint counsel to assist the court upon the hearing of an application under subsection 29. R.S.O. 1970, c. 53, s. 100; 1972, c. 138, s. 24, *amended*.

Reorganization
R.S.C. 1970,
c. B-4

184.—(1) In this section, "reorganization" means a court order made under section 246 or an order made under the *Bankruptcy Act* (Canada) approving a proposal.

Articles amended

(2) If a corporation is subject to a reorganization, its articles may be amended by the order to effect any change that might lawfully be made by an amendment under section 166.

Auxiliary
powers of
court

(3) Where a reorganization is made, the court making the order may also,

- (a) authorize the issue of debt obligations of the corporation, whether or not convertible into shares of any class or having attached any rights or options to acquire shares of any class, and fix the terms thereof; and
- (b) appoint directors in place of or in addition to all or any of the directors then in office.

(4) After a reorganization has been made, articles of reorganization in prescribed form shall be sent to the Director. Articles of reorganization

(5) Upon receipt of articles of reorganization, the Director shall endorse thereon in accordance with section 271 a certificate which shall constitute the certificate of amendment and the articles are amended accordingly. Certificate

(6) A shareholder is not entitled to dissent under section 183 if an amendment to the articles is effected under this section. No dissent *New.*

PART XIV

COMPULSORY ACQUISITIONS

185.—(1) This Part applies only to an offering corporation. Application

(2) In this Part, Interpretation

- (a) “dissenting offeree” means a person to whom a take-over bid or issuer bid is made who does not accept the take-over bid or issuer bid and includes a person who subsequently acquires a security that is the subject of the bid;
- (b) “equity security” means any security other than a debt obligation of a corporation;
- (c) “issuer bid” means an offer made by a corporation to security holders to purchase, redeem or otherwise acquire any or all of a class of the securities of the corporation, other than where,
 - (i) the securities to be purchased, redeemed or otherwise acquired are debt securities that are not convertible into equity securities,
 - (ii) the securities are to be purchased, redeemed or otherwise acquired in accordance with the terms and conditions thereof or otherwise agreed to at

the time they were issued or subsequently varied by amendment of the documents setting out those terms and conditions, or are acquired to meet sinking fund requirements or from an employee or a former employee of the issuer or of an affiliate, or

- (iii) the purchases, redemptions or other acquisitions to be made are required by the instrument creating or governing the class of securities or by this Act;
- (d) "offeree" means a person to whom a take-over bid or an issuer bid is made;
- (e) "offeree corporation" means a corporation whose securities are the subject of a take-over bid;
- (f) "offeror" means a person, other than an agent, who makes a take-over bid or an issuer bid;
- (g) "take-over bid" means an offer made to security holders of an offeree corporation to purchase directly or indirectly voting securities of the offeree corporation, where the voting securities that are the subject of the offer to purchase, the acceptance of the offer to sell or the combination thereof, as the case may be, together with the securities currently owned by the offeror, its affiliates and associates will in the aggregate exceed 20 per cent of the outstanding voting securities of the offeree corporation. *New.*

Take-over or
issuer bid

186.—(1) If within 120 days after the date of,

- (a) a take-over bid, the bid is accepted by the holders of not less than 90 per cent of the securities of any class of securities to which the bid relates, other than securities held at the date of the bid by or on behalf of the offeror, or an affiliate or associate of the offeror; or
- (b) an issuer bid, the bid is accepted by the holders of not less than 90 per cent of the securities of any class of securities to which the bid relates, other than securities held at the date of the bid by or on behalf of the issuer, or an affiliate or associate of the issuer,

the offeror is entitled, upon complying with this section, to acquire the securities held by dissenting offerees.

(2) An offeror may acquire the securities of any class to which the bid relates that are held by a dissenting offeree by sending by registered mail on or before the earlier of the sixtieth day following the termination of the bid and the one hundred and eightieth day following the date of the bid an offeror's notice to each dissenting offeree and to the Director stating in substance that,

Shares of
dissenting
offeree

- (a) offerees holding more than 90 per cent of the securities to which the bid relates other than securities held at the date of the bid by or on behalf of the offeror or an affiliate or associate of the offeror have accepted the bid;
- (b) the offeror is bound to take up and pay for or has taken up and paid for the securities of the offerees who accepted the bid;
- (c) a dissenting offeree is required to elect,
 - (i) to transfer his securities to the offeror on the terms on which the offeror acquired the securities of the offerees who accepted the bid, or
 - (ii) to demand payment of the fair value of his securities in accordance with subsections 13 to 21 by notifying the offeror within twenty days after receipt of the offeror's notice;
- (d) a dissenting offeree who does not notify the offeror in accordance with subclause ii of clause c is deemed to have elected to transfer his securities to the offeror on the same terms that the offeror acquired the securities from the offerees who accepted the bid; and
- (e) a dissenting offeree must send the certificates representing his securities to which the bid relates to the offeree corporation or, in the case of an issuer bid, to the offeror within twenty days after he receives the offeror's notice.

(3) In the case of,

Notice

- (a) a take-over bid, concurrently with sending the offeror's notice under subsection 2, the offeror shall send or deliver to the offeree corporation a notice of adverse claim in accordance with section 87 with respect to each share held by a dissenting offeree; or
- (b) an issuer bid, the offeror shall be deemed to have notice of an adverse claim for the purpose of section 87 with respect to each share held by a dissenting offeree.

Sending in
share
certificates

(4) A dissenting offeree to whom an offeror's notice is sent under subsection 2 shall, within twenty days after he receives that notice,

(a) send the certificates representing his securities to which the take-over bid relates to the offeree corporation; or

(b) send the certificates representing his securities to which the issuer bid relates to the offeror.

Payment by
offeror

(5) Within twenty days after the offeror sends an offeror's notice under subsection 2, the offeror shall pay or transfer to the offeree corporation the amount of money or other consideration that the offeror would have had to pay or transfer to all dissenting offerees if they had elected to accept the take-over bid under subclause i of clause c of subsection 2.

Trust funds

(6) An offeree corporation is deemed to hold in trust for dissenting offerees the money or other consideration it receives under subsection 5, and the offeree corporation shall deposit the money in a separate account in a bank or other body corporate any of whose deposits are insured by the Canada Deposit Insurance Corporation and shall place the other consideration in the custody of a bank or other such body corporate.

Idem

(7) The offeror making an issuer bid is deemed to hold in trust for dissenting offerees the money or other consideration that the offeror would have had to pay or transfer to all dissenting offerees if they had elected to accept the issuer bid under subclause i of clause c of subsection 2 and, within twenty days after the issuer sends an offeror's notice under subsection 2, the issuer shall deposit any such money in a separate account in a bank or other body corporate any of whose deposits are insured by the Canada Deposit Insurance Corporation and shall place the other consideration in the custody of a bank or such other body corporate within twenty days after the offeror sends an offeror's notice under subsection 2.

Notice of
compliance

(8) Within ten days after the offeror complies with subsection 5 or subsection 7, as the case may be, the offeror shall give notice of the date of such compliance to all dissenting offerees.

Application
to court

(9) At any time prior to the thirtieth day following the day upon which the offeror's notice referred to in subsection 2 is sent to dissenting offerees, a dissenting offeree who has demanded payment of the fair value of his securities in accordance with subclause ii of clause c of subsection 2 may apply to the court for an order requiring the person who has sent the offeror's notice to provide, in such form as the court considers appropriate, such

additional security for payment to dissenting offerees of the fair value of their securities as the court may determine to be necessary, pending the determination of such fair value.

(10) The securities of all dissenting offerees shall be deemed to have been acquired by the offeror, Where shares deemed acquired

- (a) where an application under subsection 9 has not been made within the time set out in subsection 9, upon the expiration of that time; or
- (b) where an application has been made under subsection 9, upon compliance with the order made in respect of the application.

(11) Within ten days after the acquisition of the securities of dissenting offerees under subsection 10 by an offeror who has made a take-over bid, the offeree corporation shall, Duties of offeree corporation

- (a) issue to the offeror a security certificate in respect of the securities that were held by dissenting offerees;
- (b) send to each dissenting offeree who elects to accept the take-over bid terms under subclause i of clause c of subsection 2 and who sends his security certificates as required under clause a of subsection 4, the money or other consideration to which he is entitled; and
- (c) send to each dissenting offeree who has not sent his security certificates as required under clause a of subsection 4, notice stating in substance that,
 - (i) the certificates representing his securities have been cancelled,
 - (ii) the offeree corporation or some designated person holds in trust for him the money or other consideration to which he is entitled as payment for or in exchange for his securities, and
 - (iii) the offeree corporation will, subject to subsections 13 to 21, send that money or other consideration to him forthwith after receiving his securities.

(12) Within ten days after the acquisition of the securities of dissenting offerees under subsection 10 by an offeror who has made an issuer bid, the offeror shall, Payment by offeror

- (a) send to each dissenting offeree who elects to accept the issuer bid terms under subclause i of clause *c* of subsection 2 and who sends his security certificates as required under clause *b* of subsection 4, the money or other consideration to which he is entitled; and
- (b) send to each dissenting offeree who has not sent his security certificates as required under clause *b* of subsection 4 a notice stating in substance that,
 - (i) the certificates representing his securities have been cancelled,
 - (ii) the offeror or some designated person holds in trust for him the money or other consideration to which he is entitled as payment for or in exchange for his securities, and
 - (iii) the offeror will, subject to subsections 13 to 21, send that money or other consideration to him forthwith after receiving his securities.

Application to
fix fair value

(13) If a dissenting offeree has elected to demand payment of the fair value of his securities under subclause ii of clause *c* of subsection 2, the offeror may, in the case of a take-over bid, within twenty days after it has complied with subsection 5 or, in the case of an issuer bid, within twenty days after it has complied with subsection 7, apply to the court to fix the fair value of the securities of that dissenting offeree.

Idem

(14) If an offeror fails to apply to the court under subsection 13, a dissenting offeree may apply to the court for the same purpose within a further period of twenty days.

Where no
application

(15) If no application is made to the court under subsection 13 or 14 within the periods set out in those subsections, a dissenting offeree is deemed to have elected to transfer his securities to the offeror on the same terms that the offeror acquired the securities from offerees who accepted the take-over or issuer bid and, provided that the dissenting offeree has complied with subsection 4, the issuer or the offeree corporation, as the case may be, shall pay or transfer to the dissenting offeree the money or other consideration to which he is entitled.

Security for
costs not
required

(16) A dissenting offeree is not required to give security for costs in an application made under subsection 13 or 14.

Parties

(17) Upon an application under subsection 13 or 14,

- (a) all dissenting offerees referred to in subclause ii of clause *c* of subsection 2 whose securities have not been acquired

by the offeror shall be joined as parties and are bound by the decision of the court; and

- (b) the offeror shall notify each such dissenting offeree of the date, place and consequences of the application and of his right to appear and be heard in person or by counsel.

(18) Upon an application to the court under subsection 13 or 14, ^{Idem} the court may determine whether any other person is a dissenting offeree who should be joined as a party, and the court shall then fix a fair value for the securities of all dissenting offerees.

(19) The court may appoint one or more appraisers to assist the court in fixing a fair value for the securities of each dissenting offeree. ^{Appointment of appraisers}

(20) The final order of the court shall be made against the offeror in favour of each dissenting offeree. ^{Final order}

(21) In connection with proceedings under this section, the court may make any order it thinks fit and, without limiting the generality of the foregoing, it may, ^{What court may order}

- (a) fix the amount of money or other consideration that is required to be held in trust under subsection 6 or 7;

- (b) order that the money or other consideration be held in trust by a person other than,

- (i) the offeree corporation, or

- (ii) in the case of an issuer bid, the offeror corporation;

- (c) allow a reasonable rate of interest on the amount payable to each dissenting offeree from the date he sends his security certificates under subsection 4 until the date of payment; or

- (d) order that any money payable to a dissenting offeree who cannot be found be paid to the Public Trustee. *New.*

187.—(1) Where 90 per cent or more of a class of securities of a corporation, other than debt obligations, are acquired by or on behalf of a person, his affiliates and his associates, then the holder of any securities of that class not counted for the purposes of calculating such percentage shall be entitled in accordance with this section to require the corporation to acquire his securities of that class. ^{Where corporation required to acquire securities}

Notice

(2) Every corporation, within thirty days after it becomes aware that security holders are entitled to require it to acquire their securities under subsection 1, shall send a written notice to each such security holder that he may within sixty days of the date of such notice require the corporation to acquire his securities.

Idem

(3) The notice sent by the corporation under subsection 2 shall,

- (a) set out a price that the corporation is willing to pay for the securities;
- (b) give the basis for arriving at the price;
- (c) state the location where any supporting material used for arriving at the price may be examined and extracts taken therefrom by the security holder or his duly authorized agent; and
- (d) state that if the security holder is not satisfied with the price offered by the corporation in the notice he is entitled to have the fair value of his securities fixed by the court.

Election by
security holder

(4) Where a security holder receives a notice under subsection 2 and wishes the corporation to acquire his securities, he may, within sixty days after the date of the notice,

- (a) elect to accept the price offered by the corporation by giving notice of his acceptance to the corporation and by forthwith sending his security certificates to the corporation; or
- (b) notify the corporation that he wishes to have the fair value of his securities fixed by the court.

Application to
fix fair value

(5) Where a security holder wishes to have the fair value of his securities fixed by the court, the corporation shall make an application to the court within ninety days after the date of the notice under subsection 2.

Idem

(6) If a corporation fails to send notice under subsection 2, a security holder, after giving the corporation thirty days notice of his intention so to do, may apply to the court to have the fair value of his securities fixed.

Idem

(7) If a corporation fails to make an application to the court as required under subsection 5, a security holder may make the application.

(8) Upon an application to the court under subsection 5, 6 or 7, Parties

(a) all security holders who have notified the corporation under clause *b* of subsection 4 may be joined as parties as the court thinks fit and, if so joined, are bound by the decision of the court; and

(b) the corporation shall notify each security holder entitled to notice under subsection 2 of the date, place and purpose of the application and of his right to appear and be heard in person or by counsel.

(9) Upon an application to the court under subsection 5, 6 or 7, *Idem* the court may determine whether any security holders should properly be sent or have been sent notice and whether such security holders should be joined as parties.

(10) The court may appoint one or more appraisers to assist the court in fixing a fair value for the securities. *Appointment of appraiser*

(11) The final order of the court shall be made against the corporation in favour of each entitled security holder. *Final order*

(12) A security holder requesting the court to fix the fair value of his securities is not required to give security for costs on the application. *Security not required*

(13) The costs under this section shall be on a solicitor and client basis. *Costs New.*

188.—(1) In this section,

Interpretation

(a) “affected security” means a participating security of a corporation in which the interest of the holder would be terminated by reason of a going private transaction;

(b) “going private transaction” means an amalgamation, arrangement, consolidation or other transaction carried out under this Act by a corporation that would cause the interest of a holder of a participating security of the corporation to be terminated without the consent of the holder and without the substitution therefor of an interest of equivalent value in a participating security that,

(i) is issued by the corporation, an affiliate of the corporation or a successor body corporate, and

- (ii) is not limited in the extent of its participation in earnings to any greater extent than the participating security for which it is substituted,

but does not include,

- (iii) an acquisition under section 186,

- (iv) a redemption of, or other compulsory termination of the interest of the holder in, a security if the security is redeemed or otherwise acquired in accordance with the terms and conditions attaching thereto or under a requirement of the articles relating to the class of securities or of this Act, or

- (v) a proceeding under Part XV;

- (c) "participating security" means a security issued by a body corporate other than a security that is, in all circumstances, limited in the extent of its participation in earnings and includes,

- (i) a security currently convertible into such a security, and

- (ii) currently exercisable warrants entitling the holder to acquire such a security or such a convertible security.

Going private
transaction

- (2) A corporation that proposes to carry out a going private transaction shall have prepared by an independent, qualified valuer a written valuation indicating a per security value or range of values for each class of affected securities, and,

- (a) the valuation shall be prepared or revised as of a date not more than 120 days before the announcement of the going private transaction, with appropriate adjustments for subsequent events other than the going private transaction;

- (b) the valuation shall not contain a downward adjustment to reflect the fact that the affected securities do not form part of a controlling interest; and

- (c) if the consideration to be received by the holders of the affected securities is wholly or partly other than cash, or a right to receive cash within ninety days after the approval by security holders of the going private transaction, the valuation shall include the valuer's opinion

whether the value of each affected security to be surrendered is equal to or greater than the total value of the consideration to be received therefor.

(3) The corporation shall send a management information circular to the holders of the affected securities not less than forty days prior to the date of a meeting which shall be called by it to consider that transaction, and the information circular shall contain, in addition to any other required information and subject to any exemption granted under subsection 6,

Information
circular

- (a) a summary of the valuation prepared in compliance with subsection 2 and a statement that a holder of an affected security may inspect a copy of the valuation at the registered office of the corporation or may obtain a copy of the valuation upon request and payment of a specified amount sufficient to cover reasonable costs of reproduction and mailing;
- (b) a statement of the approval or approvals of holders of affected securities required to be obtained in accordance with this section;
- (c) a certificate signed by a senior officer or a director of the corporation certifying that he and, to his knowledge, the corporation are unaware of any material fact relevant to the valuation prepared in compliance with subsection 2 that was not disclosed to the valuer; and
- (d) a statement of the class or classes of affected securities and of the number of securities of each class and, if any securities of any such class are, under paragraph 3 of subsection 4, not to be taken into account in the vote required by subsection 4, a statement of the number thereof and why they are not to be taken into account,

but if all or any portion of a class of affected securities is represented by certificates that are not in registered form, it shall be sufficient to make the information circular available to the holders of such affected securities in the manner provided for in the terms of the securities for sending notice to such holders or otherwise in such manner as may be prescribed.

(4) A corporation shall not carry out a going private transaction unless, in addition to any other required security holder approval, the transaction is approved by the holders of each class of affected securities by a vote in accordance with the following provisions:

Idem

- 1. If the consideration to be received by a holder of an affected security of the particular class is,

- i. payable wholly or partly other than in cash or a right to receive cash within ninety days after the approval of the going private transaction, or
- ii. payable entirely in cash and is less in amount than the per security value or the mid-point of the range of per security values, arrived at by the valuation prepared in compliance with subsection 2,

then the approval shall be given by a special resolution.

- 2. In cases other than those referred to in paragraph 1, the approval shall be given by an ordinary resolution.
- 3. In determining whether the transaction has been approved by the requisite majority, the votes of,
 - i. securities held by affiliates of the corporation,
 - ii. securities the beneficial owners of which will, consequent upon the going private transaction, be entitled to a per security consideration greater than that available to other holders of affected securities of the same class,
 - iii. securities the beneficial owners of which, alone or in concert with others, effectively control the corporation and who, prior to distribution of the information circular, entered into an understanding that they would support the going private transaction,

shall be disregarded both in determining the total number of votes cast and in determining the number of votes cast in favour of or against the transaction.

Effect of
section

(5) The rights provided by this section are in addition to any other rights of a holder of affected securities.

Powers of
Commission

(6) Upon an application by an interested person, the Commission may, subject to such terms and conditions as it may impose, exempt any person from any requirement of this section where in its opinion to do so would not be prejudicial to the public interest, and the Commission may publish guidelines as to the manner and circumstances in which it will exercise this discretion.

Rights of
security holder

(7) A holder of an affected security that is a share of any class of a corporation may dissent from a going private transaction upon compliance with the procedures set out in section 183, in which case he shall be entitled to the rights and remedies provided by that section. *New.*

PART XV

LIQUIDATION AND DISSOLUTION

189. In sections 191 to 234, "contributory" means a person who is liable to contribute to the property of a corporation in the event of the corporation being wound up under this Act. R.S.O. 1970, c. 53, s. 201. Interpretation

190. Sections 191 to 203 apply to corporations being wound up voluntarily. R.S.O. 1970, c. 53, s. 202. Application of ss. 191-203

191.—(1) The shareholders of a corporation may, by special resolution, require the corporation to be wound up voluntarily. Voluntary winding up

(2) At such meeting, the shareholders shall appoint one or more persons, who may be directors, officers or employees of the corporation, as liquidator of the estate and effects of the corporation for the purpose of winding up its business and affairs and distributing its property, and may at that or any subsequent meeting fix his remuneration and the costs, charges and expenses of the winding up. Appointment of liquidator

(3) On the application of any shareholder or creditor of the corporation or of the liquidator, the court may review the remuneration of the liquidator and, whether or not the remuneration has been fixed in accordance with subsection 2, the court may fix and determine the remuneration at such amount as it thinks proper. Review of remuneration by court

(4) A corporation shall file notice, in the prescribed form, of a resolution requiring the voluntary winding up of the corporation with the Director within ten days after the resolution has been passed and shall publish the notice in *The Ontario Gazette* within twenty days after the resolution has been passed. R.S.O. 1970, c. 53, s. 203, *amended*. Publication of notice

192. The shareholders of a corporation being wound up voluntarily may delegate to any committee of shareholders, contributories or creditors, hereinafter referred to as inspectors, the power of appointing the liquidator and filling any vacancy in the office of liquidator, or may enter into any arrangement with creditors of the corporation with respect to the powers to be exercised by the liquidator and the manner in which they are to be exercised. R.S.O. 1970, c. 53, s. 204, *amended*. Inspectors

193. If a vacancy occurs in the office of liquidator by death, resignation or otherwise, the shareholders may, subject to any arrangement the corporation may have entered into with its creditors upon the appointment of inspectors, fill such vacancy, and a meeting for that purpose may be called by the continuing Vacancy in office of liquidator

liquidator, if any, or by any shareholder or contributory, and shall be deemed to have been duly held if called in the manner prescribed by the articles or by-laws of the corporation, or, in default thereof, in the manner prescribed by this Act for calling meetings of the shareholders of the corporation. R.S.O. 1970, c. 53, s. 205, *amended*.

Removal of
liquidator

194. The shareholders of a corporation may by ordinary resolution passed at a meeting called for that purpose remove a liquidator appointed under section 191, 192 or 193, and in such case shall appoint another liquidator in his stead. R.S.O. 1970, c. 53, s. 206, *amended*.

Commence-
ment of
winding up

195. A voluntary winding up commences at the time of the passing of the resolution requiring the winding up or at such later time as may be specified in the resolution. R.S.O. 1970, c. 53, s. 207, *amended*.

Corporation
to cease
business

196. A corporation being wound up voluntarily shall, from the commencement of its winding up, cease to carry on its undertaking, except in so far as may be required as beneficial for the winding up thereof, and all transfers of shares, except transfers made to or with the sanction of the liquidator taking place after the commencement of its winding up, are void, but its corporate existence and all its corporate powers, notwithstanding that it is otherwise provided by its articles or by-laws, continue until its affairs are wound up. R.S.O. 1970, c. 53, s. 208, *amended*.

No proceedings
against
corporation
after
voluntary
winding up
except by leave

197. After the commencement of a voluntary winding up,

- (a) no action or other proceeding shall be commenced against the corporation; and
- (b) no attachment, sequestration, distress or execution shall be put in force against the estate or effects of the corporation,

except by leave of the court and subject to such terms as the court imposes. R.S.O. 1970, c. 53, s. 209.

List of
contributories
and calls

198.—(1) Upon a voluntary winding up, the liquidator,

- (a) shall settle the list of contributories; and
- (b) may, before he has ascertained the sufficiency of the property of the corporation, call on all or any of the contributories for the time being settled on the list of contributories to the extent of their liability to pay any sum that he considers necessary for satisfying the

liabilities of the corporation and the costs, charges and expenses of winding up and for adjusting the rights of the contributories among themselves.

(2) A list settled by the liquidator under clause *a* of subsection 1 is *prima facie* proof of the liability of the persons named therein to be contributories. List *prima facie* proof

(3) The liquidator in making a call under clause *b* of subsection 1 may take into consideration the probability that some of the contributories upon whom the call is made may partly or wholly fail to pay their respective portions of the call. R.S.O. 1970, c. 53, s. 210. Default on calls

199.—(1) The liquidator may, during the continuance of the voluntary winding up, call meetings of the shareholders of the corporation for any purpose he thinks fit. Meetings of corporation during winding up

(2) Where a voluntary winding up continues for more than one year, the liquidator shall call a meeting of the shareholders of the corporation at the end of the first year and of each succeeding year from the commencement of the winding up, and he shall lay before the meeting an account showing his acts and dealings and the manner in which the winding up has been conducted during the immediately preceding year. R.S.O. 1970, c. 53, s. 211. Where winding up continues more than one year

200. The liquidator, with the approval of the shareholders of the corporation or the inspectors, may make such compromise or other arrangement as the liquidator thinks expedient with any creditor or person claiming to be a creditor or having or alleging that he has a claim, present or future, certain or contingent, liquidated or unliquidated, against the corporation or whereby the corporation may be rendered liable. R.S.O. 1970, c. 53, s. 212, *amended*. Arrangements with creditors

201. The liquidator may, with the approval referred to in section 200, compromise all debts and liabilities capable of resulting in debts, and all claims, whether present or future, certain or contingent, liquidated or unliquidated, subsisting or supposed to subsist between the corporation and any contributory, alleged contributory or other debtor or person who may be liable to the corporation and all questions in any way relating to or affecting the property of the corporation, or the winding up of the corporation, upon the receipt of such sums payable at such times and generally upon such terms as are agreed, and the liquidator may take any security for the discharge of such debts or liabilities and give a complete discharge in respect thereof. R.S.O. 1970, c. 53, s. 213. Power to compromise with debtors and contributories

Power to
accept shares,
etc., as
consideration
for sale of
property to
another body
corporate

202.—(1) Where a corporation is proposed to be or is in the course of being wound up voluntarily and it is proposed to transfer the whole or a portion of its business or property to another body corporate, the liquidator, with the approval of a resolution of the shareholders of the corporation conferring either a general authority on the liquidator or an authority in respect of any particular arrangement, may receive, in compensation or in part-compensation for the transfer, cash or shares or other like interest in the purchasing body corporate or any other body corporate for the purpose of distribution among the creditors or shareholders of the corporation that is being wound up in the manner set forth in the arrangement, or may, in lieu of receiving cash or shares or other like interest, or in addition thereto, participate in the profits of or receive any other benefit from the purchasing body corporate or any other body corporate.

Confirmation
of sale or
arrangement

(2) A transfer made or arrangement entered into by the liquidator under this section is not binding on the shareholders of the corporation that is being wound up unless the transfer or arrangement is approved in accordance with subsections 3, 6 and 7 of section 182.

Where
resolution
not invalid

(3) No resolution is invalid for the purposes of this section because it was passed before or concurrently with a resolution for winding up the corporation or for appointing the liquidator. R.S.O. 1970, c. 53, s. 214, *amended*.

Account of
voluntary
winding up to
be made by
liquidator to
a meeting

203.—(1) The liquidator shall make up an account showing the manner in which the winding up has been conducted and the property of the corporation disposed of, and thereupon shall call a meeting of the shareholders of the corporation for the purpose of having the account laid before them and hearing any explanation that may be given by the liquidator, and the meeting shall be called in the manner prescribed by the articles or by-laws or, in default thereof, in the manner prescribed by this Act for the calling of meetings of shareholders.

Notice of
holding of
meeting

(2) The liquidator shall within ten days after the meeting is held file a notice in the prescribed form with the Director stating that the meeting was held and the date thereof and shall forthwith publish the notice in *The Ontario Gazette*.

Dissolution

(3) Subject to subsection 4, on the expiration of three months from the date of the filing of the notice, the corporation is dissolved.

Extension

(4) At any time during the three-month period mentioned in subsection 3, the court may, on the application of the liquidator or any other person interested, make an order deferring the date on

which the dissolution of the corporation is to take effect to a date fixed in the order, and in such event the corporation is dissolved on the date so fixed.

(5) Notwithstanding anything in this Act, the court at any time after the affairs of the corporation have been fully wound up may, upon the application of the liquidator or any other person interested, make an order dissolving it, and it is dissolved on the date fixed in the order. Dissolution by court order

(6) The person on whose application an order was made under subsection 4 or 5 shall within ten days after it was made file with the Director a certified copy of the order and forthwith publish notice of the order in *The Ontario Gazette*. R.S.O. 1970, c. 53, s. 215, *amended*. Copy of extension order to be filed

204. Sections 205 to 216 apply to corporations being wound up by order of the court. R.S.O. 1970, c. 53, s. 216. Application of ss. 205-216

205.—(1) A corporation may be wound up by order of the court, Winding up by court

(a) where the court is satisfied that in respect of the corporation or any of its affiliates,

- (i) any act or omission of the corporation or any of its affiliates effects a result,
- (ii) the business or affairs of the corporation or any of its affiliates are or have been carried on or conducted in a manner, or
- (iii) the powers of the directors of the corporation or any of its affiliates are or have been exercised in a manner,

that is oppressive or unfairly prejudicial to or that unfairly disregards the interests of any security holder, creditor, director or officer; or

(b) where the court is satisfied that,

- (i) a unanimous shareholder agreement entitled a complaining shareholder to demand dissolution of the corporation after the occurrence of a specified event and that event has occurred,
- (ii) proceedings have been begun to wind up voluntarily and it is in the interest of contributories and

creditors that the proceedings should be continued under the supervision of the court,

(iii) the corporation, though it may not be insolvent, cannot by reason of its liabilities continue its business and it is advisable to wind it up, or

(iv) it is just and equitable for some reason, other than the bankruptcy or insolvency of the corporation, that it should be wound up; or

(c) where the shareholders by special resolution authorize an application to be made to the court to wind up the corporation.

Court order (2) Upon an application under this section, the court may make such order under this section or section 246 as it thinks fit. R.S.O. 1970, c. 53, s. 217, *amended*.

Who may apply **206.**—(1) A winding-up order may be made upon the application of the corporation or of a shareholder or, where the corporation is being wound up voluntarily, of the liquidator or of a contributory or of a creditor having a claim of \$2,500 or more.

Notice (2) Except where the application is made by the corporation, four days' notice of the application shall be given to the corporation before the making of the application. R.S.O. 1970, c. 53, s. 218.

Power of court **207.** The court may make the order applied for, may dismiss the application with or without costs, may adjourn the hearing conditionally or unconditionally or may make any interim or other order as is considered just, and upon the making of the order may, according to its practice and procedure, refer the proceedings for the winding up to an officer of the court for inquiry and report and may authorize the officer to exercise such powers of the court as are necessary for the reference. R.S.O. 1970, c. 53, s. 219.

Appointment of liquidator **208.**—(1) The court in making the winding-up order may appoint one or more persons as liquidator of the estate and effects of the corporation for the purpose of winding up its business and affairs and distributing its property.

Remuneration (2) The court may at any time fix the remuneration of the liquidator.

Vacancy (3) If a liquidator appointed by the court dies or resigns or the office becomes vacant for any reason, the court may by order fill the vacancy. R.S.O. 1970, c. 53, s. 215 (1-3).

(4) A liquidator appointed by the court under this section shall forthwith give to the Director notice in the prescribed form of his appointment and shall, within twenty days of his appointment, publish the notice in *The Ontario Gazette*. R.S.O. 1970, c. 53, s. 215 (4), *amended*. Notice of appointment

209. The court may by order remove for cause a liquidator appointed by it, and in such case shall appoint another liquidator in his stead. R.S.O. 1970, c. 53, s. 221. Removal of liquidator

210. The costs, charges and expenses of a winding up by order of the court shall be taxed by a taxing officer of the Supreme Court. R.S.O. 1970, c. 53, s. 222. Costs and expenses

211. Where a winding-up order is made by the court without prior voluntary winding-up proceedings, the winding up shall, unless a court otherwise orders, be deemed to commence at the time of the service of notice of the application, and, where the application is made by the corporation, at the time the application is made. R.S.O. 1970, c. 53, s. 223. Commencement of winding up

212. Where a winding-up order has been made by the court, proceedings for the winding up of the corporation shall be taken in the same manner and with the like consequences as provided for a voluntary winding up, except that the list of contributories shall be settled by the court unless it has been settled by the liquidator before the winding-up order, in which case the list is subject to review by the court, and except that all proceedings in the winding up are subject to the order and direction of the court. R.S.O. 1970, c. 53, s. 224. Proceedings in winding up after order

213.—(1) Where a winding-up order has been made by the court, the court may direct meetings of the shareholders of the corporation to be called, held and conducted in such manner as the court thinks fit for the purpose of ascertaining their wishes, and may appoint a person to act as chairman of any such meeting and to report the result of it to the court. Meetings of shareholders of corporation may be ordered

(2) Where a winding-up order has been made by the court, the court may require any contributory for the time being settled on the list of contributories, or any director, officer, employee, trustee, banker or agent of the corporation to pay, deliver, convey, surrender or transfer forthwith, or within such time as the court directs, to the liquidator any sum or balance, documents, records, estate or effects that are in his hands and to which the corporation is *prima facie* entitled. Order for delivery by contributories and others of property, etc.

(3) Where a winding-up order has been made by the court, the court may make an order for the inspection of the documents and Inspection of documents and records

records of the corporation by its creditors and contributories, and any documents and records in the possession of the corporation may be inspected in conformity with the order. R.S.O. 1970, c. 53, s. 225.

Proceedings
against cor-
poration after
court winding
up

214. After the commencement of a winding up by order of the court,

- (a) no action or other proceeding shall be proceeded with or commenced against the corporation; and
- (b) no attachment, sequestration, distress or execution shall be put in force against the estate or effects of the corporation,

except by leave of the court and subject to such terms as the court imposes. R.S.O. 1970, c. 53, s. 226.

Provision for
discharge and
distribution by
the court

215.—(1) Where the realization and distribution of the property of a corporation being wound up under an order of the court has proceeded so far that in the opinion of the court it is expedient that the liquidator should be discharged and that the property of the corporation remaining in his hands can be better realized and distributed by the court, the court may make an order discharging the liquidator and for payment, delivery and transfer into court, or to such person as the court directs, of such property, and it shall be realized and distributed by or under the direction of the court among the persons entitled thereto in the same way as nearly as may be as if the distribution were being made by the liquidator.

Disposal of
documents and
records

(2) In such case, the court may make an order directing how the documents and records of the corporation and of the liquidator are to be disposed of, and may order that they be deposited in court or otherwise dealt with as the court thinks fit. R.S.O. 1970, c. 53, s. 227.

Order for
dissolution

216.—(1) The court at any time after the business and affairs of the corporation have been fully wound up may, upon the application of the liquidator or any other person interested, make an order dissolving it, and it is dissolved on the date fixed in the order.

Copy of dissol-
ution order to
be filed

(2) The person on whose application the order was made shall within ten days after it was made file with the Director a certified copy of the order and shall forthwith publish notice of the order in *The Ontario Gazette*. R.S.O. 1970, c. 53, s. 228, *amended*.

Application of
ss. 218-234

217. Sections 218 to 234 apply to corporations being wound up voluntarily or by order of the court. R.S.O. 1970, c. 53, s. 229.

218. Where there is no liquidator,Where no
liquidator

- (a) the court may by order on the application of a shareholder of the corporation appoint one or more persons as liquidator; and
- (b) the estate and effects of the corporation shall be under the control of the court until the appointment of a liquidator. R.S.O. 1970, c. 53, s. 230.

219.—(1) Upon a winding up,Consequences
of winding up

- (a) the liquidator shall apply the property of the corporation in satisfaction of all its debts, obligations and liabilities and, subject thereto, shall distribute the property rateably among the shareholders according to their rights and interests in the corporation;
- (b) in distributing the property of the corporation, debts to employees of the corporation for services performed for it due at the commencement of the winding up or within one month before, not exceeding three months' wages and vacation pay accrued for not more than twelve months, shall be paid in priority to the claims of the ordinary creditors, and such persons are entitled to rank as ordinary creditors for the residue of their claims;
- (c) all the powers of the directors cease upon the appointment of a liquidator, except in so far as the liquidator may sanction the continuance of such powers.

(2) Section 53 of *The Trustee Act* applies with necessary modifications to liquidators. R.S.O. 1970, c. 53, s. 231.

Distribution of
property

220. The costs, charges and expenses of a winding up, including the remuneration of the liquidator, are payable out of the property of the corporation in priority to all other claims. R.S.O. 1970, c. 53, s. 232.

Payment of
costs and
expenses**221.—(1)** A liquidator may,Powers of
liquidators

- (a) bring or defend any action, suit or prosecution, or other legal proceedings, civil or criminal, in the name and on behalf of the corporation;
- (b) carry on the business of the corporation so far as may be required as beneficial for the winding up of the corporation;

- (c) sell the property of the corporation by public auction or private sale and receive payment of the purchase price either in cash or otherwise;
- (d) do all acts and execute, in the name and on behalf of the corporation, all documents, and for that purpose use the seal of the corporation, if any;
- (e) draw, accept, make and endorse any bill of exchange or promissory note in the name and on behalf of the corporation;
- (f) raise upon the security of the property of the corporation any requisite money;
- (g) take out in his official name letters of administration of the estate of any deceased contributory and do in his official name any other act that is necessary for obtaining payment of any money due from a contributory or from his estate and which act cannot be done conveniently in the name of the corporation; and
- (h) do and execute all such other things as are necessary for winding up the business and affairs of the corporation and distributing its property.

Bills of exchange, etc., to be deemed drawn in the course of business

(2) The drawing, accepting, making or endorsing of a bill of exchange or promissory note by the liquidator on behalf of a corporation has the same effect with respect to the liability of the corporation as if such bill or note had been drawn, accepted, made or endorsed by or on behalf of the corporation in the course of carrying on its business.

Where moneys deemed to be due to liquidator

(3) Where the liquidator takes out letters of administration or otherwise uses his official name for obtaining payment of any money due from a contributory, such money shall be deemed, for the purpose of enabling him to take out such letters or recover such money, to be due to the liquidator himself.

What liquidator may rely upon

(4) Where he does so in good faith, a liquidator is entitled to rely upon,

- (a) financial statements of the corporation represented to him by an officer of the corporation or in a written report of the auditor of the corporation to present fairly the financial position of the corporation in accordance with generally accepted accounting principles; or
- (b) an opinion, a report or a statement of a lawyer, an accountant, an engineer, an appraiser or other profes-

sional adviser retained by the liquidator. R.S.O. 1970, c. 53, s. 233, *amended*.

222. Where more than one person is appointed as liquidator, any power conferred by sections 191 to 234 on a liquidator may be exercised by such one or more of such persons as may be determined by the resolution or order appointing them or, in default of such determination, by any number of them not fewer than two. R.S.O. 1970, c. 53, s. 234. Acts by more than one liquidator

223. The liability of a contributory creates a debt accruing due from him at the time his liability commenced, but payable at the time or respective times when calls are made for enforcing such liability. R.S.O. 1970, c. 53, s. 235. Nature of liability of contributory

224. If a contributory dies before or after he has been placed on the list of contributories, his personal representative is liable in due course of administration to contribute to the property of the corporation in discharge of the liability of the deceased contributory and shall be a contributory accordingly. R.S.O. 1970, c. 53, s. 236. Liability in case of his death

225.—(1) The liquidator shall deposit all moneys that he has belonging to the corporation and amounting to \$100 or more in any chartered bank of Canada or in the Province of Ontario Savings Office or in any trust company or loan corporation that is registered under *The Loan and Trust Corporations Act* or in any other depository approved by the court. R.S.O. 1970, c. 53, s. 231 (1), *amended*. Deposit of moneys
R.S.O. 1970, c. 254

(2) If inspectors have been appointed, the depository under subsection 1 shall be one approved by them. Approval by inspectors

(3) Such deposit shall not be made in the name of the liquidator individually, but a separate deposit account shall be kept of the money belonging to the corporation in his name as liquidator of the corporation and in the name of the inspectors, if any, and such money shall be withdrawn only by order for payment signed by the liquidator and one of the inspectors, if any. Separate deposit account to be kept; withdrawal from account

(4) At every meeting of the shareholders of the corporation, the liquidator shall produce a pass-book, or statement of account showing the amount of the deposits, the dates at which they were made, the amounts withdrawn and the dates of withdrawal, and mention of such production shall be made in the minutes of the meeting, and the absence of such mention is admissible in evidence as *prima facie* proof that the pass-book or statement of account was not produced at the meeting. Liquidator to produce bank pass-book

Idem

(5) The liquidator shall also produce the pass-book or statement of account whenever so ordered by the court upon the application of the inspectors, if any, or of a shareholder of the corporation. R.S.O. 1970, c. 53, s. 231 (2-5).

Proving claim
R.S.O. 1970,
c. 34

226. For the purpose of proving claims, sections 23, 24 and 25 of *The Assignments and Preferences Act* apply with necessary modifications, except that where the word “judge” is used therein, the word “court” as used in this Act shall be substituted. R.S.O. 1970, c. 53, s. 238.

Application
for direction

227. Upon the application of the liquidator or of the inspectors, if any, or of any creditors, the court, after hearing such parties as it directs to be notified or after such steps as the court prescribes have been taken, may by order give its direction in any matter arising in the winding up. R.S.O. 1970, c. 53, s. 239.

Examination
of persons
as to
estate

228.—(1) The court may at any time after the commencement of the winding up summon to appear before the court or liquidator any director, officer or employee of the corporation or any other person known or suspected to have in his possession any of the estate or effects of the corporation, or alleged to be indebted to it, or any person whom the court thinks capable of giving information concerning its trade, dealings, estate or effects.

Damages
against
delinquent
directors,
etc.

(2) Where in the course of the winding up it appears that a person who has taken part in the formation or promotion of the corporation or that a past or present director, officer, employee, liquidator or receiver of the corporation has misapplied or retained in his own hands, or become liable or accountable for, property of the corporation, or has committed any misfeasance or breach of trust in relation to it, the court may, on the application of the liquidator or of any creditor, shareholder or contributory, examine the conduct of that person and order him to restore the property so misapplied or retained, or for which he has become liable or accountable, or to contribute such sum to the property of the corporation by way of compensation in respect of such misapplication, retention, misfeasance or breach of trust, or both, as the court thinks just. R.S.O. 1970, c. 53, s. 240.

Proceedings
by
shareholders

229.—(1) Where a shareholder of the corporation desires to cause any proceeding to be taken that, in his opinion, would be for the benefit of the corporation, and the liquidator, under the authority of the shareholders or of the inspectors, if any, refuses or neglects to take such proceedings after being required so to do, the shareholder may obtain an order of the court authorizing him to take such proceeding in the name of the liquidator or corporation, but at his own expense and risk, upon such terms and conditions as to indemnity to the liquidator or corporation as the court prescribes.

(2) Any benefit derived from a proceeding under subsection 1 belongs exclusively to the shareholder causing the institution of the proceeding for his benefit and that of any other shareholder who has joined him in causing the institution of the proceeding. Benefits: when for shareholders

(3) If, before the order is granted, the liquidator signifies to the court his readiness to institute the proceeding for the benefit of the corporation, the court shall make an order prescribing the time within which he is to do so, and in that case the advantage derived from the proceeding, if instituted within such time, belongs to the corporation. R.S.O. 1970, c. 53, s. 241. when for corporation

230. The rights conferred by this Act are in addition to any other right to institute proceedings against any contributory, or against any debtor of the corporation, for the recovery of any sum due from such contributory or debtor or his estate. R.S.O. 1970, c. 53, s. 242. Rights conferred by Act to be in addition to other powers

231. At any time during a winding up, the court, upon the application of a shareholder, creditor or contributory and upon proof to its satisfaction that all proceedings in relation to the winding up ought to be stayed, may make an order staying the proceedings altogether or for a limited time on such terms and subject to such conditions as the court thinks fit. R.S.O. 1970, c. 53, s. 243. Stay of winding up proceedings

232.—(1) Where the liquidator is unable to pay all the debts of the corporation because a creditor is unknown or his whereabouts is unknown, the liquidator may, by agreement with the Public Trustee, pay to the Public Trustee an amount equal to the amount of the debt due to the creditor to be held in trust for the creditor, and thereupon subsections 5 and 6 of section 236 apply thereto. Where creditor unknown

(2) A payment under subsection 1 shall be deemed to be in satisfaction of the debt for the purposes of winding up. R.S.O. 1970, c. 53, s. 244. Idem

233.—(1) Where the liquidator is unable to distribute rateably the property of the corporation among the shareholders because a shareholder is unknown or his whereabouts is unknown, the share of the property of the corporation of such shareholder may, by agreement with the Public Trustee, be delivered or conveyed by the liquidator to the Public Trustee to be held in trust for the shareholder, and thereupon subsections 5 and 6 of section 236 apply thereto. Where shareholder unknown

(2) A delivery or conveyance under subsection 1 shall be deemed to be a distribution to that shareholder of his rateable Idem

share for the purposes of the winding up. R.S.O. 1970, c. 53, s. 245.

Disposal of
records, etc.,
after
winding up

234.—(1) Where a corporation has been wound up under sections 190 to 233 and is about to be dissolved, its documents and records and those of the liquidator may be disposed of as it by resolution directs in case of voluntary winding up, or as the court directs in case of winding up under an order.

When
responsibility
as to custody
of records,
etc., to cease

(2) After the expiration of five years from the date of the dissolution of the corporation, no responsibility rests on it or the liquidator, or anyone to whom the custody of the documents and records has been committed, by reason that the same or any of them are not forthcoming to any person claiming to be interested therein. R.S.O. 1970, c. 53, s. 246.

Voluntary
dissolution

235. A corporation may be dissolved upon the authorization of,

- (a) a special resolution passed at a meeting of the shareholders of the corporation duly called for the purpose or, in the case of a corporation that is not an offering corporation, by such other proportion of the votes cast as the articles provide, but such other proportion shall not be less than 50 per cent of the votes of all the shareholders entitled to vote at the meeting;
- (b) the consent in writing of all the shareholders entitled to vote at such meeting; or
- (c) all its incorporators or their personal representatives at any time within two years after the date set out in its certificate of incorporation where the corporation has not commenced business and has not issued any shares. R.S.O. 1970, c. 53, s. 247; 1971, c. 26, s. 38, *amended*.

Articles of
dissolution
where
corporation
active

236.—(1) For the purpose of bringing the dissolution authorized under clause *a* or *b* of section 235 into effect, articles of dissolution shall follow the prescribed form and shall set out,

- (a) the name of the corporation;
- (b) that its dissolution has been duly authorized under clause *a* or *b* of section 235;
- (c) that it has no debts, obligations or liabilities or its debts, obligations or liabilities have been duly provided for in accordance with subsection 3 or its creditors or other

persons having interests in its debts, obligations or liabilities consent to its dissolution;

- (d) that after satisfying the interests of creditors in all its debts, obligations and liabilities, if any, it has no property to distribute among its shareholders or that it has distributed its remaining property rateably among its shareholders according to their rights and interests in the corporation or in accordance with subsection 4 where applicable;
- (e) that there are no proceedings pending in any court against it; and
- (f) that it has given notice of its intention to dissolve by publication once in *The Ontario Gazette* and once in a newspaper having general circulation in the place where it has its principal place of business in Ontario or, if it does not have a place of business in Ontario, where it has its registered office. 1979, c. 36, s. 18 (1), *amended*.

(2) For the purpose of bringing a dissolution authorized under clause *c* of section 235 into effect, articles of dissolution shall follow the prescribed form and shall set out,

Articles of
dissolution
where
corporation
never active

- (a) the name of the corporation,
- (b) the date set out in its certificate of incorporation;
- (c) that the corporation has not commenced business;
- (d) that none of its shares has been issued;
- (e) that dissolution has been duly authorized under clause *c* of section 235;
- (f) that it has no debts, obligations or liabilities;
- (g) that after satisfying the interests of creditors in all its debts, obligations and liabilities, if any, it has no property to distribute or that it has distributed its remaining property to the persons entitled thereto;
- (h) that there are no proceedings pending in any court against it; and
- (i) that it has given notice of its intention to dissolve by publication once in *The Ontario Gazette* and once in a newspaper having general circulation in the place where it has its registered office. R.S.O. 1970, c. 53, s. 248 (2); 1971, c. 26, s. 39; 1979, c. 36, s. 18 (2), *amended*.

Where creditor
unknown

(3) Where a corporation authorizes its dissolution and a creditor is unknown or his whereabouts is unknown, the corporation may, by agreement with the Public Trustee, pay to the Public Trustee an amount equal to the amount of the debt due to the creditor to be held in trust for the creditor, and such payment shall be deemed to be due provision for the debt for the purposes of clause *c* of subsection 1.

Where
shareholder
unknown

(4) Where a corporation authorizes its dissolution and a shareholder is unknown or his whereabouts is unknown, it may, by agreement with the Public Trustee, deliver or convey his share of the property to the Public Trustee to be held in trust for him, and such delivery or conveyance shall be deemed to be a distribution to that shareholder of his rateable share for the purposes of the dissolution.

Power to
convert

(5) If the share of the property so delivered or conveyed to the Public Trustee under subsection 4 is in a form other than cash, the Public Trustee may at any time, and within ten years after such delivery or conveyance shall, convert it into cash.

Payment to
person entitled

(6) If the amount paid under subsection 3 or the share of the property delivered or conveyed under subsection 4 or its equivalent in cash, as the case may be, is claimed by the person beneficially entitled thereto within ten years after it was so delivered, conveyed or paid, it shall be delivered, conveyed or paid to him, but, if not so claimed, it vests in the Public Trustee for the use of Ontario, and, if the person beneficially entitled thereto at any time thereafter establishes his right thereto to the satisfaction of the Lieutenant Governor in Council, an amount equal to the amount so vested in the Public Trustee shall be paid to him. R.S.O. 1970, c. 53, s. 248 (3-6).

Certificate of
dissolution

237.—(1) Upon receipt of the articles of dissolution, the Director shall endorse thereon in accordance with section 271 a certificate which shall constitute the certificate of dissolution.

Incorporators
to sign articles
of dissolution
where corpora-
tion did not
commence
business

(2) Notwithstanding clause *a* of subsection 1 of section 271, articles of dissolution for the purposes of subsection 2 of section 236 shall be signed by all its incorporators or their personal representatives. 1979, c. 36, s. 19, *part, amended*.

Cancellation of
certificate, etc.,
by Director

238.—(1) Where sufficient cause is shown to the Director, notwithstanding the imposition of any other penalty in respect thereof and in addition to any rights he may have under this or any other Act, he may, after he has given the corporation an opportunity to be heard, by order, upon such terms and conditions as he thinks fit, cancel a certificate of incorporation or any other certificate issued by him under this Act, and,

- (a) in the case of the cancellation of a certificate of incorporation, the corporation is dissolved on the date fixed in the order; and
- (b) in the case of the cancellation of any other certificate, the matter that became effective upon the issuance of the certificate ceases to be in effect from the date fixed in the order.

(2) In this section, "sufficient cause" with respect to cancellation of a certificate of incorporation includes, Interpretation

- (a) failure to pay the prescribed fee for incorporation;
- (b) failure to comply with subsection 2 of section 114 or subsection 3 of section 117;
- (c) failure to comply with a request under section 5 or a notice under section 8 of *The Corporations Information Act, 1976*; 1976, c. 66
- (d) a conviction of the corporation for an offence under the *Criminal Code* (Canada) or an offence as defined in *The Provincial Offences Act, 1979*, in circumstances where cancellation of the certificate is in the public interest; or R.S.C. 1970, c. C-34
1979, c. 4
- (e) conduct described in subsection 2 of section 246. 1979, c. 36, s. 19, *part, amended*.

239.—(1) Where the Director is notified by the Minister of Revenue that a corporation is in default in complying with the provisions of *The Corporations Tax Act, 1972*, the Director may give notice by registered mail to the corporation or by publication once in *The Ontario Gazette* that an order dissolving the corporation will be issued unless the corporation remedies its default within ninety days after the giving of the notice. Notice of dissolution
1972, c. 143

(2) Where the Director is notified by the Commission that a corporation has not complied with sections 76 and 77 of *The Securities Act, 1978*, the Director may give notice by registered mail to the corporation or by publication once in *The Ontario Gazette* that an order dissolving the corporation will be issued unless the corporation complies with sections 76 and 77 of *The Securities Act, 1978* within ninety days after the giving of the notice. Idem
1978, c. 43

(3) Upon default in compliance with the notice given under subsection 1 or 2, the Director may by order cancel the certificate of incorporation and, subject to subsection 4, the corporation is dissolved on the date fixed in the order. Order for dissolution

Revival

(4) Where a corporation is dissolved under subsection 3 or any predecessor thereof, the Director on the application of any interested person immediately before the dissolution, made within five years after the date of dissolution, may, in his discretion, on such terms and conditions as he sees fit to impose, revive the corporation and thereupon the corporation, subject to the terms and conditions imposed by the Director and to any rights acquired by any person after its dissolution, is restored to its legal position, including all its property, rights and privileges and franchises, and is subject to all its liabilities, contracts, disabilities and debts, as of the date of its dissolution, in the same manner and to the same extent as if it had not been dissolved.

Articles of
revival

(5) The application referred to in subsection 4 shall be in the form of articles of revival which shall be in prescribed form.

Certificate
of revival

(6) Upon receipt of articles of revival and any other prescribed documents, the Director, subject to subsection 4, shall endorse thereon in accordance with section 271 a certificate which shall constitute the certificate of revival. 1976, c. 67, s. 1; 1978, c. 49, s. 13, *amended*.

Actions
after
dissolution

240.—(1) Notwithstanding the dissolution of a corporation under section 237, 238 or 239,

- (a) a civil, criminal or administrative action or proceeding commenced by or against the corporation before its dissolution may be continued as if the corporation had not been dissolved;
- (b) a civil, criminal or administrative action or proceeding may be brought against the corporation within five years after its dissolution as if the corporation had not been dissolved; and
- (c) any property that would have been available to satisfy any judgment or order if the corporation had not been dissolved remains available for such purpose.

Service
after
dissolution

(2) For the purposes of this section, the service of any process on a corporation after its dissolution shall be deemed to be sufficiently made if it is made upon any person last shown on the records of the Ministry as being a director or officer of the corporation before the dissolution. R.S.O. 1970, c. 53, s. 252 (2).

Idem

(3) Where an action, suit or other proceeding has been brought against a corporation after its dissolution, notice of the commencement of the action, suit or other proceeding, together with the writ or other document by which the action, suit or other proceeding was commenced, shall be served upon the Public Trustee. *New*.

241.—(1) Notwithstanding the dissolution of a corporation, each shareholder to whom any of its property has been distributed is liable to any person claiming under section 240 to the extent of the amount received by that shareholder upon the distribution, and an action to enforce such liability may be brought within five years after the date of the dissolution of the corporation. Liability of shareholders to creditors

(2) The court may order an action referred to in subsection 1 to be brought against the persons who were shareholders as a class, subject to such conditions as the court thinks fit and, if the plaintiff establishes his claim, the court may refer the proceedings to a referee or other officer of the court who may, Party action

(a) add as a party to the proceedings before him each person who was a shareholder found by the plaintiff;

(b) determine, subject to subsection 1, the amount that each person who was a shareholder shall contribute towards satisfaction of the plaintiff's claim; and

(c) direct payment of the amounts so determined.

(3) In this section, "shareholder" includes the heirs and legal representatives of a shareholder. R.S.O. 1970, c. 53, s. 253, *amended*. Interpretation

242.—(1) Any property of a corporation that has not been disposed of at the date of its dissolution is immediately upon such dissolution forfeit to the Crown. R.S.O. 1970, c. 53, s. 254, *amended*. Forfeiture of undisposed property

(2) Where judgment is given or an order or decision is made in an action, suit or proceeding commenced in accordance with the provisions of section 240 and the judgment, order or decision affects property formerly belonging to the corporation, the property, notwithstanding subsection 1, shall be available to satisfy the judgment, order or other decision unless the plaintiff or applicant has failed to give notice to the Public Trustee in accordance with subsection 3 of section 240. *New*. Exception

PART XVI

REMEDIES, OFFENCES AND PENALTIES

243. In this Part,

Interpretation

(a) "action" means an action under this Act;

(b) "complainant" means,

- (i) a registered holder or beneficial owner, and a former registered holder or beneficial owner, of a security of a corporation or any of its affiliates,
- (ii) a director or an officer or a former director or officer of a corporation or of any of its affiliates,
- (iii) any other person who, in the discretion of the court, is a proper person to make an application under this Part. *New.*

Derivative
actions

244.—(1) Subject to subsection 2, a complainant may apply to the court for leave to bring an action in the name and on behalf of a corporation or any of its subsidiaries, or intervene in an action to which any such body corporate is a party, for the purpose of prosecuting, defending or discontinuing the action on behalf of the body corporate.

Idem

(2) No action may be brought and no intervention in an action may be made under subsection 1 unless the complainant has given fourteen days' notice to the directors of the corporation or its subsidiary of his intention to apply to the court under subsection 1 and the court is satisfied that,

- (a) the directors of the corporation or its subsidiary will not bring, diligently prosecute or defend or discontinue the action;
- (b) the complainant is acting in good faith; and
- (c) it appears to be in the interests of the corporation or its subsidiary that the action be brought, prosecuted, defended or discontinued.

Ex parte
application

(3) Where a complainant on an *ex parte* application can establish to the satisfaction of the court that it is not expedient to give notice as required under subsection 2, the court may make such interim order as it thinks fit pending the complainant giving notice as required.

Interim
order

(4) Where a complainant on an application can establish to the satisfaction of the court that an interim order for relief should be made, the court may make such order as it thinks fit. R.S.O. 1970, c. 53, s. 99 (1, 2), *amended*.

Court
order

245. In connection with an action brought or intervened in under section 244, the court may at any time make any order it thinks fit including, without limiting the generality of the foregoing,

- (a) an order authorizing the complainant or any other person to control the conduct of the action;
- (b) an order giving directions for the conduct of the action;
- (c) an order directing that any amount adjudged payable by a defendant in the action shall be paid, in whole or in part, directly to former and present security holders of the corporation or its subsidiary instead of to the corporation or its subsidiary; and
- (d) an order requiring the corporation or its subsidiary to pay reasonable legal fees and any other costs reasonably incurred by the complainant in connection with the action. R.S.O. 1970, c. 53, s. 99 (3), *amended*.

246.—(1) A complainant, the Director and, in the case of an offering corporation, the Commission may apply to the court for an order under this section. Application to court: oppression remedy

(2) Where, upon an application under subsection 1, the court is satisfied that in respect of a corporation or any of its affiliates, Idem

- (a) any act or omission of the corporation or any of its affiliates effects or threatens to effect a result;
- (b) the business or affairs of the corporation or any of its affiliates are, have been or are threatened to be carried on or conducted in a manner; or
- (c) the powers of the directors of the corporation or any of its affiliates are, have been or are threatened to be exercised in a manner,

that is oppressive or unfairly prejudicial to or that unfairly disregards the interests of any security holder, creditor, director or officer of the corporation, the court may make an order to rectify the matters complained of.

(3) In connection with an application under this section, the court may make any interim or final order it thinks fit including, Court order without limiting the generality of the foregoing,

- (a) an order restraining the conduct complained of;
- (b) an order appointing a receiver or receiver-manager;
- (c) an order to regulate a corporation's affairs by amending the articles or by-laws or creating or amending a unanimous shareholder agreement;

- (d) an order directing an issue or exchange of securities;
- (e) an order appointing directors in place of or in addition to all or any of the directors then in office;
- (f) an order directing a corporation, subject to subsection 6, or any other person, to purchase securities of a security holder;
- (g) an order directing a corporation, subject to subsection 6, or any other person, to pay to a security holder any part of the moneys paid by him for securities;
- (h) an order varying or setting aside a transaction or contract to which a corporation is a party and compensating the corporation or any other party to the transaction or contract;
- (i) an order requiring a corporation, within a time specified by the court, to produce to the court or an interested person financial statements in the form required by section 152 or an accounting in such other form as the court may determine;
- (j) an order compensating an aggrieved person;
- (k) an order directing rectification of the registers or other records of a corporation under section 248;
- (l) an order winding up the corporation under section 205;
- (m) an order directing an investigation under Part XII be made; and
- (n) an order requiring the trial of any issue.

Idem

(4) Where an order made under this section directs amendment of the articles or by-laws of a corporation,

- (a) the directors shall forthwith comply with subsection 4 of section 184; and
- (b) no other amendment to the articles or by-laws shall be made without the consent of the court, until the court otherwise orders.

Shareholder
may not
dissent

(5) A shareholder is not entitled to dissent under section 183 if an amendment to the articles is effected under this section.

(6) A corporation shall not make a payment to a shareholder under clause *f* or *g* of subsection 3 if there are reasonable grounds for believing that,

Where corporation prohibited from paying shareholder

(a) the corporation is or, after the payment, would be unable to pay its liabilities as they become due; or

(b) the realizable value of the corporation's assets would thereby be less than the aggregate of its liabilities.
New.

247.—(1) An application made or an action brought or intervened in under this Part shall not be stayed or dismissed by reason only that it is shown that an alleged breach of a right or duty owed to the corporation or its affiliate has been or may be approved by the shareholders of such body corporate, but evidence of approval by the shareholders may be taken into account by the court in making an order under section 205, 245 or 246. R.S.O. 1970, c. 53, s. 99 (6), *amended*.

Discontinuance and settlement

(2) An application made or an action brought or intervened in under this Part shall not be stayed, discontinued, settled or dismissed for want of prosecution without the approval of the court given upon such terms as the court thinks fit and, if the court determines that the interests of any complainant may be substantially affected by such stay, discontinuance, settlement or dismissal, the court may order any party to the application or action to give notice to the complainant.

Idem

(3) A complainant is not required to give security for costs in any application made or action brought or intervened in under this Part.

Costs

(4) In an application made or an action brought or intervened in under this Part, the court may at any time order the corporation or its affiliate to pay to the complainant interim costs, including reasonable legal fees and disbursements, for which interim costs the complainant may be held accountable to the corporation or its affiliate upon final disposition of the application or action. R.S.O. 1970, c. 53, s. 99 (3, 4), *amended*.

Idem

248.—(1) Where the name of a person is alleged to be or have been wrongly entered or retained in, or wrongly deleted or wrongly omitted from, the registers or other records of a corporation, the corporation, a security holder of the corporation or any aggrieved person may apply to the court for an order that the registers or records be rectified.

Rectifying error in entering, etc., name

Idem

(2) In connection with an application under this section, the court may make any order it thinks fit including, without limiting the generality of the foregoing,

- (a) an order requiring the registers or other records of the corporation to be rectified;
- (b) an order restraining the corporation from calling or holding a meeting of shareholders or paying a dividend or making any other distribution or payment to shareholders before the rectification;
- (c) an order determining the right of a party to the proceedings to have his name entered or retained in, or deleted or omitted from, the registers or records of the corporation, whether the issue arises between two or more security holders, or between the corporation and any security holders or alleged security holders;
- (d) an order compensating a party who has incurred a loss. R.S.O. 1970, c. 53, s. 166, *amended*.

Notice of refusal to file

249.—(1) Where the Director refuses to endorse a certificate on articles or any other document required by this Act to be endorsed with a certificate by him before it becomes effective, he shall give written notice to the person who delivered the articles or other document of his refusal, specifying the reasons therefor.

Failure to act deemed refusal

(2) Where, within six months after the delivery to the Director of articles or other documents referred to in subsection 1, the Director has not endorsed a certificate on such articles or other document, he shall be deemed for the purposes of section 250 to have refused to endorse it. 1979, c. 36, s. 23, *amended*.

Appeal from Director

250.—(1) A person aggrieved by a decision of the Director,

- (a) to refuse to endorse a certificate on articles or on any other document;
- (b) to issue or to refuse to issue a certificate of amendment under section 12;
- (c) to refuse to grant an order under section 143;
- (d) to grant or refuse to grant exemption under section 147;

(e) to refuse to endorse an authorization under section 179;
or

(f) to issue an order under section 238,

may appeal to the court. 1979, c. 36, s. 24 (1), *amended*.

(2) Every appeal shall be by notice of motion sent by registered mail to the Director within thirty days after the mailing of the notice of the decision, and the practice and procedure upon and in relation to the appeal shall be the same as upon an appeal from a judgment of a judge of the Supreme Court in an action.

Form of
appeal

(3) The Director shall certify to the Registrar of the Supreme Court,

Certificate
of
Director

(a) the decision of the Director together with a statement of the reasons therefor;

(b) the record of any hearing; and

(c) all written submissions to the Director or other material that is relevant to the appeal.

(4) The Director is entitled to be heard, by counsel or otherwise, upon the argument of an appeal under this section.

Representation

(5) Where an appeal is taken under this section, the court may by its order direct the Director to make such decision or to do such other act as the Director is authorized and empowered to do under this Act and as the court thinks proper, having regard to the material and submissions before it and to this Act, and the Director shall make such decision or do such act accordingly.

Court
order

(6) Notwithstanding an order of the court under subsection 5, the Director has power to make any further decision upon new material or where there is a material change in the circumstances, and every such decision is subject to this section. R.S.O. 1970, c. 53, s. 268 (2-6); 1979, c. 36, s. 24 (2, 3), *amended*.

Director may
make further
decision

251.—(1) Where a corporation or any shareholder, director, officer, employee, agent, auditor, trustee, receiver and manager, receiver, or liquidator of a corporation does not comply with this Act, the regulations, articles, by-laws, or a unanimous shareholder agreement, a complainant or a creditor of the corporation may, notwithstanding the imposition of any penalty in respect of such non-compliance and in addition to any other right he has, apply to the court for an order directing the corporation or any person to comply with, or restraining the corporation or any

Orders for
compliance

person from acting in breach of, any provisions thereof, and upon such application the court may so order and make any further order it thinks fit.

Idem

(2) Where it appears to the Commission that any person to whom section 110 or subsection 1 of section 111 applies has failed to comply with or is contravening either or both of such provisions, notwithstanding the imposition of any penalty in respect of such non-compliance or contravention, the Commission may apply to the court and the court may, upon such application, make any order it thinks fit including, without limiting the generality of the foregoing,

- (a) an order restraining a solicitation, the holding of a meeting or any person from implementing or acting upon any resolution passed at a meeting, to which such non-compliance with or contravention of section 110 or subsection 1 of section 111 relates;
- (b) an order requiring correction of any form of proxy or information circular and a further solicitation; or
- (c) an order adjourning the meeting to which such non-compliance with or contravention of section 110 or subsection 1 of section 111 relates. R.S.O. 1970, c. 53, s. 261, *amended*.

Ex parte
application

252. Where this Act states that a person may apply to the court, that person may apply for injunctive relief *ex parte* as the rules of the court provide. *New*.

Appeal from
Court

253. An appeal lies to the Court of Appeal from any order made by the court under this Act. R.S.O. 1970, c. 53, s. 270.

Interpre-
tation

254.—(1) In this section, “misrepresentation” means,

- (a) an untrue statement of material fact; or
- (b) an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made.

Offence, false
statements,
etc.

(2) Every person who,

- (a) makes or assists in making a statement in any material, evidence or information submitted or given under this

Act or the regulations to the Director, his delegate or the Commission or any person appointed to make an investigation or audit under this Act that, at the time and in the light of the circumstances under which it is made, is a misrepresentation;

- (b) makes or assists in making a statement in any application, articles, consent, financial statement, information circular, notice, report or other document required to be filed with, furnished or sent to the Director or the Commission under this Act or the regulations that, at the time and in the light of the circumstances under which it is made, is a misrepresentation;
- (c) fails to file with the Director or the Commission any document required by this Act to be filed with him or the Commission; or
- (d) fails to observe or to comply with any direction, decision, ruling, order or other requirement made by the Director or the Commission under this Act or the regulations,

is guilty of an offence and on conviction is liable to a fine of not more than \$2,000 or to imprisonment for a term of not more than one year, or to both, or, if such person is a body corporate, to a fine of not more than \$25,000.

(3) Where a body corporate is guilty of an offence under subsection 2, every director or officer of such body corporate who, without reasonable cause, authorized, permitted or acquiesced in the offence is also guilty of an offence and on conviction is liable to a fine of not more than \$2,000 or to imprisonment for a term of not more than one year, or to both. Idem

(4) No person is guilty of an offence under clause *a* or *b* of subsection 2 if he did not know and in the exercise of reasonable diligence could not have known that the statement was a misrepresentation. R.S.O. 1970, c. 53, ss. 256 (1, 2), 257, 259 (2). Defence

255. No proceeding under section 254 shall be commenced except with the consent or under the direction of the Minister. R.S.O. 1970, c. 53, s. 258. Consent

256.—(1) Every person who, Offence

- (a) without reasonable cause uses a list of holders of securities in contravention of subsection 5 of section 51 or subsection 8 of section 145;

- (b) fails without reasonable cause to send a prescribed form of proxy to each shareholder of an offering corporation with notice of a meeting of shareholders in contravention of subsection 1 of section 110;
- (c) fails without reasonable cause to send an information circular in connection with a proxy solicitation in contravention of subsection 1 of section 111;
- (d) being a proxyholder or alternate proxyholder, fails without reasonable cause, to comply with the directions of the shareholder who appointed him in contravention of subsection 1 of section 113;
- (e) without reasonable cause contravenes section 144;
- (f) being a director of a corporation, fails, without reasonable cause, to appoint an auditor or auditors, as the case may be, under subsection 1 of section 148;
- (g) being an auditor or former auditor of a corporation fails without reasonable cause to comply with subsection 2 of section 149;
- (h) fails without reasonable cause to comply with subsection 1 of section 152; or
- (i) otherwise without reasonable cause commits an act contrary to or fails or neglects to comply with any provision of this Act or the regulations,

is guilty of an offence and on conviction is liable to a fine of not more than \$2,000 or to imprisonment for a term of not more than one year, or to both, or if such person is a body corporate, to a fine of not more than \$25,000.

Idem

(2) Where a body corporate is guilty of an offence under subsection 1, every director or officer of such body corporate who, without reasonable cause, authorized, permitted or acquiesced in such offence is also guilty of an offence and on conviction is liable to a fine of not more than \$2,000 or to imprisonment for a term of not more than one year, or to both. *New.*

Limitation

257.—(1) No proceeding under section 254 or under clause *i* of subsection 1 of section 256 for a contravention of section 143 shall be commenced more than two years after the facts upon which the proceedings are based first came to the knowledge of the Director as certified by him.

Idem

(2) Subject to subsection 1, no proceeding for an offence under this Act or the regulations shall be commenced more than two

years after the time when the subject-matter of the offence arose. R.S.O. 1970, c. 53, s. 260; 1978, c. 49, s. 14, *amended*.

258. An information in respect of any contravention of this Act may be for one or more offences and no information, summons, warrant, conviction or other proceeding in any prosecution is objectionable as insufficient by reason of the fact that it relates to two or more offences. *New.*

Information containing more than one offence

259. No civil remedy for an act or omission is suspended or affected by reason that the act or omission is an offence under this Act. *New.*

Civil remedy not affected

PART XVII

GENERAL

260.—(1) A notice or document required by this Act, the regulations, the articles or the by-laws to be sent to a shareholder or director of a corporation may be sent by prepaid mail addressed to, or may be delivered personally to,

Notice to directors or shareholders

(a) a shareholder at his latest address as shown in the records of the corporation or its transfer agent; and

(b) a director at his latest address as shown in the records of the corporation or in the most recent notice filed under *The Corporations Information Act, 1976*, whichever is the more current.

1976, c. 66

(2) A notice or document sent in accordance with subsection 1 to a shareholder or director of a corporation is deemed to be received by the addressee on the fifth day after mailing.

Idem

(3) A director named in the articles or the most recent return or notice filed under *The Corporations Information Act, 1976*, or a predecessor thereof, is presumed for the purposes of this Act to be a director of the corporation referred to in the articles, return or notice.

Director

(4) Where a corporation sends a notice or document to a shareholder in accordance with subsection 1 and the notice or document is returned on three consecutive occasions because the shareholder cannot be found, the corporation is not required to send any

Where notice returned

further notices or documents to the shareholder until he informs the corporation in writing of his new address.

Application to court (5) Where it is impracticable or impossible to comply with subsection 1, a person may apply to the court for such order as the court thinks fit. R.S.O. 1970, c. 53, s. 255 (1); 1972, c. 138, s. 59, *amended*.

Notice to corporation **261.** Except where otherwise provided in this Act, a notice or document required to be sent to a corporation may be sent to the corporation by prepaid mail at its registered office as shown on the records of the Director or may be delivered personally to the corporation at such office and shall be deemed to be received by the corporation on the fifth day after mailing. R.S.O. 1970, c. 53, s. 255 (2), *amended*.

Waiver of notice and abridgement of times **262.** Where a notice or document is required by this Act or the regulations to be sent, the notice may be waived or the time for the sending of the notice or document may be waived or abridged at any time with the consent in writing of the person entitled thereto. 1971, c. 26, s. 42, *amended*.

Delegation of powers and duties **263.**—(1) The Director may delegate in writing any of his duties or powers under this Act to any public servant in the Ministry. *New*.

Execution of certificate of Director (2) Where this Act requires or authorizes the Director to endorse or issue a certificate or to certify any fact, the certificate shall be signed by the Director or any other person designated by the regulations.

Certificate as evidence (3) A certificate referred to in subsection 2 or a certified copy thereof, when introduced as evidence in any civil, criminal, or administrative action or proceeding, is *prima facie* proof of the facts so certified without personal appearance to prove the signature or official position of the person appearing to have signed the certificate.

Mechanical reproduction of signature (4) For the purposes of subsections 2 and 3, any signature of the Director or any signature of an officer of the Ministry designated by the regulations may be printed or otherwise mechanically reproduced. R.S.O. 1970, c. 53, s. 266 (1, 2), *amended*.

Certificate that may be signed by directors, etc. **264.**—(1) A certificate issued on behalf of a corporation stating any fact that is set out in the articles, the by-laws, a unanimous shareholder agreement, the minutes of the meetings of the directors, a committee of directors or the shareholders, or a trust indenture or other contract to which the corporation is a party, may be signed by a director, an officer or a transfer agent of the corporation.

(2) When introduced as evidence in any civil, criminal or administrative action or proceeding, *Prima facie evidence*

- (a) a fact stated in a certificate referred to in subsection 1;
- (b) a certified extract from a register of a corporation required to be maintained by this Act; or
- (c) a certified copy of minutes or extract from minutes of a meeting of shareholders, directors or a committee of directors of a corporation,

is, in the absence of evidence to the contrary, proof of the facts so certified without proof of the signature or official character of the person appearing to have signed the certificate.

(3) An entry in a securities register of, or a security certificate issued by, a corporation is, in the absence of evidence to the contrary, proof that the person in whose name the security is registered or whose name appears on the certificate is the owner of the securities described in the register or in the certificate, as the case may be. *New.* *Idem*

265.—(1) Where a notice or document is required to be sent to the Director under this Act, the Director may accept a photostatic or photographic copy thereof. *Copy of document acceptable*

(2) Subsection 1 does not apply to articles, applications or documents filed under subsection 3 of section 9. *New.* *Exception to subs. 1*

266.—(1) The Director may require any fact relevant to the performance of his duties under this Act or the regulations to be verified by affidavit or otherwise. R.S.O. 1970, c. 53, s. 263 (1). *Proof by affidavit*

(2) For the purpose of holding a hearing under this Act, the Director may administer oaths to witnesses and require them to give evidence under oath. R.S.O. 1970, c. 53, s. 263 (2), *amended.* *Oaths at hearings*

267. The Director shall cause notice to be published forthwith in *The Ontario Gazette*, *Publication of notices in The Ontario Gazette*

- (a) of every endorsement of a certificate in accordance with section 271;
- (b) of every order made under subsection 3 or 4 of section 143, section 238 or subsection 3 of section 239; and

- (c) of every endorsement of a corrected certificate described in subsection 3 of section 272. 1979, c. 36, s. 20, *amended*.

Examination,
etc., of
documents

268.—(1) A person who has paid the prescribed fee is entitled during usual business hours to examine and to make copies of or extracts from any document required by this Act or the regulations to be sent to the Director or the Commission, except a report sent to the Director under subsection 2 of section 160 that the court has ordered not to be made available to the public.

Copies to be
furnished

(2) Subject to clause *j* of subsection 1 of section 160, the Director or the Commission shall furnish any person with a copy or a certified copy of a document required by this Act or the regulations to be sent to the Director or the Commission. *New*.

Appeal from
Commission

1978, c. 47

269. Any person who feels aggrieved by a decision of the Commission under this Act may appeal the decision to the court and subsections 2 to 6 of section 9 of *The Securities Act*, 1978 apply to the appeal. 1978, c. 49, s. 16.

Regulations

270. The Lieutenant Governor in Council may make regulations respecting any matter he considers necessary for the purposes of this Act including, without limiting the generality of the foregoing, regulations,

- (a) respecting names of corporations or classes thereof, the designation, rights, privileges, restrictions or conditions attaching to shares or classes of shares of corporations, or any other matter pertaining to articles or the filing thereof;
- (b) requiring the payment of fees for any matter that the Director or the Commission is required or authorized to do under this Act, and prescribing the amounts thereof;
- (c) prescribing forms for use under this Act and providing for the use thereof;
- (d) prescribing the form and content of any notices or documents required to be filed under this Act;
- (e) designating officers of the Ministry for the purposes of endorsing certificates, issuing certificates as to any fact or certifying true copies of documents required or authorized under this Act;
- (f) prescribing the form and content of proxies and information circulars required by Part VII;

- (g) prescribing requirements with respect to applications to the Director or the Commission for exemptions permitted by this Act and the practice and procedure thereon;
- (h) prohibiting the use of any words or expressions in a corporate name;
- (i) defining any word or expression used in clause *b* of subsection 1 of section 9;
- (j) prescribing requirements for the purposes of clause *c* of subsection 1 of section 9;
- (k) prescribing conditions for the purposes of subsection 2 of section 9;
- (l) prescribing the documents relating to names that shall be filed with the Director under subsection 3 of section 9;
- (m) respecting the name of a corporation under subsection 2 of section 10;
- (n) prescribing the punctuation marks and other marks that may form part of a corporate name under subsection 3 of section 10;
- (o) respecting the content of a special language provision under subsection 4 of section 10;
- (p) prescribing the form of the statutory declarations under subsection 1 of section 51 and subsection 1 of section 145;
- (q) prescribing the form and content of financial statements and interim financial statements required under this Act;
- (r) prescribing standards to be used by an auditor in making an examination of financial statements required under this Act and the manner in which the auditor shall report thereon;
- (s) prescribing exceptions under section 175;
- (t) prescribing the manner in which notice may be sent under subsection 3 of section 188;
- (u) prescribing the requirements with respect to applications by the Director authorized under subsection 1 of

section 246. R.S.O. 1970, c. 53, s. 271; 1979, c. 36, s. 25, *amended*.

Where
articles
to be sent
to Director

271.—(1) Where this Act requires that articles relating to a corporation be sent to the Director, unless otherwise specifically provided,

- (a) two duplicate originals of the articles shall be signed by a director or an officer of the corporation or, in the case of articles of incorporation, by an incorporator; and
- (b) upon receiving duplicate originals of any articles in the prescribed form that have been executed in accordance with this Act, any other required documents and the prescribed fees, the Director shall, subject to the discretion of the Director as provided in subsection 4 of section 178 and subsection 6 of section 239, and, subject to subsection 2,
 - (i) endorse on each duplicate original a certificate, setting out the day, month and year of endorsement and the corporation number,
 - (ii) file a copy of the articles with the endorsement of the certificate thereon,
 - (iii) send to the corporation or its representative one duplicate original of the articles with the endorsement of the certificate thereon, and
 - (iv) publish in *The Ontario Gazette*, in accordance with section 267, notice of the endorsement of the certificate.

Date on
certificate

(2) A certificate referred to in subsection 1 shall be dated as of the day the Director receives the duplicate originals of any articles together with all other required documents executed in accordance with this Act and the prescribed fee, or as of any later date acceptable to the Director and specified by the person who submitted the articles or by the court.

Effective
date of
articles

(3) Articles endorsed with a certificate under subsection 1, are effective on the date shown in the certificate notwithstanding that any action required to be taken by the Director under this Act with respect to the endorsement of the certificate and filing by him is taken at a later date. *New.*

Where error
in respect of
certificate

272.—(1) Where a certificate endorsed by the Director contains an error or where a certificate is endorsed by the Director on

articles or any other documents that contain an error, the corporation and its directors and shareholders shall, upon the request of the Director and after being given an opportunity to be heard, surrender the certificate and related articles or documents to the Director and pass such resolutions and take such other steps as the Director may reasonably require, and the Director shall then endorse a corrected certificate.

(2) A corrected certificate endorsed under subsection 1 may bear the date of the certificate it replaces. Date on certificate

(3) Where a correction made under subsection 1 is material, the Director shall forthwith give notice of the correction in *The Ontario Gazette* in accordance with section 267. Material amendment

(4) A decision of the Director under subsection 1 may be appealed to the court which may order the Director to change his decision and make such further order as it thinks fit. *New.* Appeal

273.—(1) Records required by this Act to be prepared and maintained by the Director or Commission may be in bound or loose-leaf form or in photographic film form, or may be entered or recorded by any system of mechanical or electronic data processing or by any other information storage device that is capable of reproducing any required information in an accurate and intelligible form within a reasonable time. Records

(2) When records maintained by the Director or the Commission are prepared and maintained other than in written form, Admission as evidence

(a) the Director or the Commission shall furnish any copy required to be furnished under subsection 2 of section 268 in intelligible written form; and

(b) a report reproduced from those records, if it is certified by the Director or the Commission or a member thereof, as the case may be, is, without proof of the office or signature thereof, admissible in evidence to the same extent as the original written records would have been.

(3) The Director or Commission, as the case may be, is not required to produce any document where a copy of the document is furnished in compliance with clause *a* of subsection 2. *New.* Copy in lieu of document

274.—(1) Any provision contained in the articles, by-laws or any special resolution of a corporation that was valid immediately before the day this Act comes into force, but that is not in conformity with this Act, shall be deemed to be amended on the day this Act comes into force to the extent necessary to bring the terms of such provision into conformity with this Act. Saving provision

Amendments	(2) A corporation may by articles of amendment change the express terms of any provision in its articles referred to in subsection 1 to conform to the terms of such provision as deemed to be amended by subsection 1.
Idem	(3) A corporation may not restate its articles in accordance with section 171 unless the corporation has amended the express terms of any provision in its articles referred to in subsection 1 in accordance with the procedure set forth in subsection 2.
Where s. 183 does not apply	(4) A shareholder is not entitled to dissent under section 183 in respect of any deemed amendment under this section.
Appointment of Director	275. The Minister may appoint a Director to carry out the duties and exercise the powers of the Director under this Act.
Repeals	<p>276. The following are repealed:</p> <ol style="list-style-type: none"> 1. <i>The Business Corporations Act</i>, being chapter 53 of the Revised Statutes of Ontario, 1970. 2. <i>The Business Corporations Amendment Act, 1971</i>, being chapter 26. 3. Paragraph 4 of the Schedule to <i>The Age of Majority and Accountability Act, 1971</i>, being chapter 98. 4. Section 30 of <i>The Government Reorganization Act, 1972</i>, being chapter 1. 5. <i>The Business Corporations Amendment Act, 1972</i>, being chapter 138. 6. <i>The Business Corporations Amendment Act, 1974</i>, being chapter 26. 7. <i>The Business Corporations Amendment Act, 1976</i>, being chapter 67. 8. <i>The Business Corporations Amendment Act, 1978</i>, being chapter 49. 9. <i>The Business Corporations Amendment Act, 1979</i>, being chapter 36.
Commencement	277. This Act comes into force on a day to be named by proclamation of the Lieutenant Governor.
Short title	278. The short title of this Act is <i>The Business Corporations Act, 1981</i> .

An Act to revise
The Business Corporations Act

1st Reading

April 24th, 1981

2nd Reading

3rd Reading

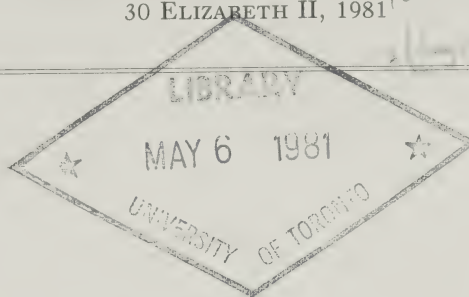
THE HON. G. W. WALKER
Minister of Consumer and
Commercial Relations

(Government Bill)

3
|| BILL 7

Government Bill

1ST SESSION, 32ND LEGISLATURE, | ONTARIO
30 ELIZABETH II, 1981 |



An Act to revise and extend
Protection of Human Rights in Ontario

THE HON. R. G. ELGIE
Minister of Labour

TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTES

The Bill is a revision of the Ontario Human Rights Code. The principal changes include:

1. The circumstances under which discrimination is prohibited are extended to include:
 - (a) discrimination in the equal enjoyment of goods, services and facilities generally and not limited to those available in a place to which the public is customarily admitted;
 - (b) discrimination in contracts;
 - (c) discrimination because of a person's association with others;
 - (d) discrimination on a ground that has the result of discrimination because of a prohibited ground;
 - (e) harassment of an occupant of accommodation by the landlord or another occupant because of a prohibited ground;
 - (f) harassment of an employee by the employer or another employee because of a prohibited ground of discrimination;
 - (g) sexual solicitation, reprisal or threat of reprisal by a person in a position of authority.
2. The prohibited grounds of discrimination are extended to include:
 - (a) handicap;
 - (b) marital status with certain exceptions in the case of accommodation;
 - (c) record of offences in the case of employment;
 - (d) age between 18 and 65 years;
 - (e) family with certain exceptions in the case of accommodation;
 - (f) receipt of public assistance in the case of accommodation.
3. Sanctions against discrimination in employment by contractors under Government contracts.
4. Protection in employment is extended to domestic workers.

5. Landlords and employers may be made responsible to prevent harassment of tenants and employees.
6. The Bill would bind the Crown and have primacy over other legislation.
7. The Commission is empowered to recommend the introduction and implementation of affirmative action programs.
8. A Race Relations Division is established with its own Commissioner.
9. Boards of inquiry are required to issue decisions within 30 days of the conclusion of their hearings.
10. Boards of inquiry are empowered to make orders respecting access for the handicapped after a finding of discrimination has been made.
11. Boards of inquiry are empowered to award damages for mental anguish.

BILL 7

1981

An Act to revise and extend Protection of Human Rights in Ontario

WHEREAS recognition of the inherent dignity and the equal ^{Preamble}
and inalienable rights of all members of the human family is
the foundation of freedom, justice and peace in the world and is in
accord with the Universal Declaration of Human Rights as
proclaimed by the United Nations;

AND WHEREAS it is public policy in Ontario to recognize that
every person is equal in dignity and worth and to provide for equal
rights and opportunities without discrimination that is contrary to
law, and having as its aim the creation of a climate of under-
standing and mutual respect for the dignity and worth of each
person so that each person feels a part of his community and able
to contribute fully to the development and well-being of the com-
munity and the Province;

AND WHEREAS these principles have been confirmed in Ontario
by a number of enactments of the Legislature and it is desirable to
revise and extend the protection of human rights in Ontario;

Therefore, Her Majesty, by and with the advice and consent of
the Legislative Assembly of the Province of Ontario, enacts as
follows:

PART I

FREEDOM FROM DISCRIMINATION

1. Every person has a right to equal treatment in the enjoy- ^{Services}
ment of services, goods and facilities, without discrimination
because of race, ancestry, place of origin, colour, ethnic origin,
citizenship, creed, sex, age, marital status, family or handicap.

2.—(1) Every person has a right to equal treatment in the <sup>Accommoda-
tion</sup>
occupancy of accommodation, without discrimination because of
race, ancestry, place of origin, colour, ethnic origin, citizenship,
creed, sex, age, marital status, family, handicap or the receipt of
public assistance.

Harassment
in accom-
modation

(2) Every person who occupies accommodation has a right to freedom from harassment by the landlord or his agent or by an occupant of the same building because of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, age, marital status, family, handicap or the receipt of public assistance.

Contracts

3. Every person having legal capacity has a right to contract on equal terms without discrimination because of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, age, marital status, family or handicap.

Employment

4.—(1) Every person has a right to equal treatment in employment without discrimination because of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, age, record of offences, marital status, family or handicap.

Harassment
in
employment

(2) Every person who is an employee has a right to freedom from harassment by the employer or his agent or by another employee in the workplace because of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, age, record of offences, marital status, family or handicap.

Vocational
associations

5. Every person has a right to equal treatment in the enjoyment of membership in any trade union, trade or occupational association or self-governing profession without discrimination because of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, age, marital status, family or handicap.

Sexual
solicitation
by a person
in authority

6. Every person has a right to be free from,

- (a) a persistent sexual solicitation or advance made by a person in a position of authority who knows or ought reasonably to know that it is unwelcome; or
- (b) a reprisal or a threat of reprisal by a person in a position of authority for the rejection of a sexual solicitation or advance.

Reprisals

7. Every person has a right to claim and enforce his rights under this Act, to institute and participate in proceedings under this Act and to refuse to infringe a right of another person under this Act, without reprisal or threat of reprisal for so doing.

Infringe-
ment
prohibited

8. No person shall infringe or do anything that results, directly or indirectly, in the infringement of a right under this Part.

PART II

INTERPRETATION AND APPLICATION

9. In Part I and in this Part,

Interpre-
tation

- (a) "age" means an age that is eighteen years or more and less than sixty-five years;
- (b) "because of handicap" means for the reason that the person has or has had, or is believed to have or have had,
 - (i) any degree of physical disability, infirmity, malformation or disfigurement that is caused by bodily injury, birth defect or illness and, without limiting the generality of the foregoing, including diabetes mellitus, epilepsy, any degree of paralysis, amputation, lack of physical co-ordination, blindness or visual impediment, deafness or hearing impediment, muteness or speech impediment, or physical reliance on a dog guide or on a wheelchair or other remedial appliance or device,
 - (ii) a condition of mental retardation or impairment,
 - (iii) a learning disability, or a dysfunction in one or more of the processes involved in understanding or using symbols or spoken language, or
 - (iv) a mental disorder;
- (c) "discrimination" means differentiation resulting in an exclusion, qualification or preference;
- (d) "disseminate" means to communicate or participate in the communication with another, whether directly or indirectly or with or through another, by whatever means;
- (e) "equal" means subject to all requirements, qualifications and considerations that are not a prohibited ground of discrimination;
- (f) "family" means persons in a parent and child relationship;
- (g) "harassment" means engaging in a course of vexatious comment or conduct;

(h) "marital status" means the status of being married, single, widowed, divorced or separated and includes the status of living with a person of the opposite sex in a conjugal relationship outside of marriage;

(i) "record of offences" means a conviction for,

(i) an offence in respect of which a pardon has been granted under the *Criminal Records Act* (Canada) and has not been revoked, or

(ii) an offence in respect of any provincial enactment;

(j) "services" does not include a levy, fee or tax imposed or authorized by law.

R.S.C. 1970,
c. 12
(1st Supp.)

Constructive
discrimin-
ation

10. A right under Part I is infringed where a requirement, qualification or consideration is imposed that is not a prohibited ground of discrimination but that would result in disqualifying a group of persons who are identified in common by a prohibited ground of discrimination, except where,

(a) the requirement, qualification or consideration is a reasonable and *bona fide* one in the circumstances; or

(b) it is declared in this Act that to disqualify a person because of such ground is not an infringement of a right.

Discrimin-
ation
because of
association

11. A right under Part I is infringed where the discrimination is because of relationship, association or dealings with a person or persons identified by a prohibited ground of discrimination.

Dissemin-
ation of
discrimin-
atory matter

12. A right under Part I is infringed where any matter, statement or symbol is disseminated that indicates an intention to infringe the right or that advocates or incites the infringement of the right.

Mixed
motives

13. A right under Part I is infringed where one of the grounds for the conduct complained of is an infringement of the right, notwithstanding that other grounds for the conduct also exist.

Special
programs

14.—(1) A right under Part I is not infringed by the implementation of a special program designed to relieve hardship or economic disadvantage or to assist disadvantaged persons or groups to achieve or attempt to achieve equal opportunity or that is likely to contribute to the elimination of the infringement of rights under Part I.

Review by
Commission

(2) The Commission may,

(a) upon its own initiative;

- (b) upon application by a person seeking to implement a special program under the protection of subsection 1; or
- (c) upon a complaint in respect of which the protection of subsection 1 is claimed,

inquire into the special program and, in the discretion of the Commission, may by order declare,

- (d) that the special program, as defined in the order, does not satisfy the requirements of subsection 1; or
- (e) that the special program as defined in the order, with such modifications, if any, as the Commission considers advisable, satisfies the requirements of subsection 1.

(3) A person aggrieved by the making of an order under subsection 2 may request the Commission to reconsider its order and section 34, with necessary modifications, applies. Reconsideration

(4) Subsection 1 does not apply to a special program where an order is made under clause *d* of subsection 2 or where an order is made under clause *e* of subsection 2 with modifications of the special program that are not implemented. Effect of order

(5) Subsection 2 does not apply to a special program implemented by the Crown or an agency of the Crown. Subs. 2 does not apply to Crown

15. A right under Part I to non-discrimination because of citizenship is not infringed where Canadian citizenship or lawful admission to Canada for permanent residence is a requirement, qualification or consideration, Canadian citizenship

- (a) imposed or authorized by law; or
- (b) adopted for the purpose of fostering and developing participation in cultural, educational, trade union or athletic activities by Canadians or persons lawfully admitted to Canada for permanent residence.

16. A right under Part I to non-discrimination because of handicap is not infringed by discrimination for the reason that in the particular circumstances the handicap renders the particular person incapable of performing the essential duties attending the exercise of the right. Handicap

17. The rights under Part I to non-discrimination because of creed shall not be construed to adversely affect any right or privilege respecting separate schools enjoyed by separate school boards or their supporters under *The British North America Act, 1867* and *The Education Act, 1974*. Creed
1867, c. 3,
1974, c. 109

18.—(1) The right under section 1 to equal treatment in the enjoyment of services and facilities without discrimination Restriction of facilities by sex

because of sex is not infringed where the use of the services or facilities is restricted to persons of the same sex on the ground of public decency.

Special
interest
organiza-
tions

(2) The right under section 1 to equal treatment in the enjoyment of services and facilities is not infringed where membership or participation in a religious, philanthropic, educational, fraternal or social organization that is exclusively engaged in serving the interests of persons identified by a prohibited ground of discrimination is restricted to persons who are similarly identified.

Shared
accommo-
dation

19.—(1) The right under section 2 to equal treatment in the occupancy of residential accommodation without discrimination is not infringed by discrimination where the residential accommodation is in a dwelling in which the owner and his family reside if the occupant or occupants of the residential accommodation are required to share a bathroom or kitchen facility with the owner or his family.

Restrictions
on accommo-
dation, sex

(2) The right under section 2 to equal treatment in the occupancy of residential accommodation without discrimination because of sex is not infringed by discrimination on that ground where the occupancy of all the residential accommodation in the building, other than the accommodation, if any, of the owner and his family, is restricted to persons who are of the same sex.

Idem:
marital
status

(3) The right under section 2 to equal treatment in the occupancy of residential accommodation without discrimination because of marital status is not infringed by discrimination on that ground where the occupancy is in a building that contains not more than four dwelling units, one of which is occupied by the owner or his family.

Idem:
family

(4) The right under section 2 to equal treatment in the occupancy of residential accommodation without discrimination because of family is not infringed by discrimination on that ground where the residential accommodation is in a building, or designated part of the building, that contains more than one dwelling unit served by a common entrance and the occupancy of all the residential accommodation in the building or in the designated part of the building is restricted because of family.

Restrictions
for insurance
contracts, etc.

20. The right under section 3 to contract on equal terms without discrimination because of age, sex, marital status, family or handicap is not infringed where a contract of automobile, life, disability, accident or sickness insurance, or a life annuity, offered or issued to a specified person differentiates or makes a distinction, exclusion or preference on *bonafide* and reasonable grounds because of age, sex, marital status, family or handicap.

21.—(1) The right under section 4 to equal treatment in employment is infringed where an application for employment is used or an invitation to apply for employment is disseminated that, directly or indirectly, classifies or indicates qualifications by a prohibited ground of discrimination.

Advertising
for
employment

(2) The right under section 4 to equal treatment in employment is infringed where employment is denied or made conditional because a term or condition of employment requires enrolment in an employee benefit, pension or superannuation plan or fund or an employee insurance plan or policy that makes a distinction, preference or exclusion on a prohibited ground of discrimination.

Employment
conditional on
membership in
pension plan

(3) The right under section 4 to equal treatment in employment without discrimination because of handicap is not infringed,

Employee
disability
and pension
plans:
handicap

(a) where a *bona fide* and reasonable distinction, exclusion or preference is made in an employee disability plan or benefit because of a pre-existing handicap that substantially increases the risk;

(b) where a *bona fide* and reasonable distinction, exclusion or preference is made on the ground of handicap in respect of an employee-pay-all or participant-pay-all benefit in an employee benefit, pension or superannuation plan or fund or an employee insurance plan or policy or in respect of a plan, fund or policy that is offered by an employer to his employees if they are fewer than twenty-five in number.

(4) An employer shall pay to an employee who is excluded from an employee benefit, pension or superannuation plan or fund or an employee insurance plan or policy because of handicap compensation equivalent to the contribution that the employer would make thereto on behalf of an employee who does not have a handicap.

Compensation

(5) The right under section 4 to equal treatment in employment is not infringed by an employee superannuation or pension fund or an employee insurance plan that complies with *The Employment Standards Act, 1974* and the regulations thereunder.

Pension or
disability
plan under
1974, c. 112

(6) The right under section 4 to equal treatment in employment is not infringed where,

Special
employment

(a) a religious, philanthropic, educational, fraternal or social organization that is exclusively engaged in serving the interests of persons identified by their race, ancestry, place of origin, colour, ethnic origin, creed, sex, age, marital status or handicap employs only, or gives pref-

erence in employment to, persons similarly identified if the qualification is a reasonable and *bona fide* qualification because of the nature of the employment;

- (b) a person refuses to employ another for reasons of age, sex, record of offences or marital status if the age, sex, record of offences or marital status of the applicant is a reasonable and *bona fide* qualification because of the nature of the employment; or
- (c) a person refuses to employ another for reasons of any prohibited ground of discrimination in section 4, where the primary duty of the employment is attending to the medical or personal needs of a person in a private household.

Applications
under
ss. 16, 21 (6)

22. Notwithstanding that the employment is of a kind to which section 16 or subsection 6 of section 21 applies, subsection 1 of section 21 applies to applications or invitations to apply for employment and an applicant shall not be refused the employment on a ground set out in section 16 or subsection 6 of section 21 except after personal interview.

Discrimin-
ation in
employment
under
government
contracts

23.—(1) It shall be deemed to be a condition of every contract entered into by or on behalf of the Crown or any agency thereof and of every subcontract entered into in the performance thereof that no right under section 4 will be infringed in the course of performing the contract.

Idem:
government
grants
and loans

(2) It shall be deemed to be a condition of every grant, contribution, loan or guarantee made by or on behalf of the Crown or any agency thereof that no right under section 4 will be infringed in the course of carrying out the purposes for which the grant, contribution, loan or guarantee was made.

Sanction

(3) Where an infringement of a right under section 4 is found by a board of inquiry upon a complaint and constitutes a breach of a condition under this section, the breach of condition is sufficient grounds for cancellation of the contract, grant, contribution, loan or guarantee and refusal to enter into any further contract with or make any further grant, contribution, loan or guarantee to the same person.

PART III

THE ONTARIO HUMAN RIGHTS COMMISSION

Commission
continued

24.—(1) The Ontario Human Rights Commission is continued and shall be composed of such persons, being not fewer than seven, as are appointed by the Lieutenant Governor in Council.

(2) The Lieutenant Governor in Council shall designate a member of the Commission as chairman, and a member as vice-chairman. Chairman

(3) The Lieutenant Governor in Council may fix the remuneration and allowance for expenses of the chairman, vice-chairman and members of the Commission. Remuneration

(4) The employees of the Commission shall be appointed under *The Public Service Act*. Staff
R.S.O. 1970,
c. 386

(5) The Commission may authorize any function of the Commission to be performed by a division of the Commission composed of at least three members of the Commission. Divisions

25.—(1) The Lieutenant Governor in Council shall designate at least three members of the Commission to constitute a race relations division of the Commission and shall designate one member of the race relations division as Commissioner for Race Relations. Race
relations
division

(2) It is the function of the race relations division of the Commission to perform any of the functions of the Commission under clause *f*, *g* or *h* of section 26 relating to race, ancestry, place of origin, colour, ethnic origin or creed that are referred to it by the Commission and any other function referred to it by the Commission. Functions

26. It is the function of the Commission, Function of
Commission

- (a) to forward the policy that every person is equal in dignity and worth and is entitled to equal rights and opportunities without discrimination contrary to law;
- (b) to promote an understanding and acceptance of and compliance with this Act;
- (c) to recommend the introduction and implementation of a special plan or program to encourage the employment of members of a group or class of persons suffering from a historical or chronic disadvantage, and a program recommended under this clause shall be deemed to satisfy the requirements of subsection 1 of section 14;
- (d) to develop and conduct programs of public information and education and direct and encourage research designed to eliminate discriminatory practices that infringe rights under this Act;

- (e) to examine and review any statute or regulation, and any program or policy made by or under a statute and make recommendations on any provision, program or policy, that in its opinion is inconsistent with the intent of this Act;
- (f) to inquire into incidents of and conditions leading or tending to lead to tension or conflict based upon identification by a prohibited ground of discrimination and take appropriate action to eliminate the source of tension or conflict;
- (g) to initiate investigations into problems based upon identification by a prohibited ground of discrimination that may arise in a community, and encourage and co-ordinate plans, programs and activities to reduce or prevent such problems;
- (h) to promote, assist and encourage public, municipal or private agencies, organizations, groups or persons to engage in programs to alleviate tensions and conflicts based upon identification by a prohibited ground of discrimination;
- (i) to enforce this Act and orders of boards of inquiry; and
- (j) to perform the functions assigned to it by this or any other Act.

Evidence
obtained
in course
of
investigation

27.—(1) No person who is a member of the Commission shall be required to give testimony in a civil suit or any proceeding as to information obtained in the course of an investigation under this Act.

Idem

(2) No person who is employed in the administration of this Act shall be required to give testimony in a civil suit or any proceeding other than a proceeding under this Act as to information obtained in the course of an investigation under this Act.

Annual
report

28.—(1) The Commission shall make a report to the Minister not later than the 30th day of June in each year upon the affairs of the Commission during the year ending on the 31st day of March of that year.

Idem

(2) The Minister shall submit the report to the Lieutenant Governor in Council who shall cause the report to be laid before the Assembly if it is in session, or, if not, at the next ensuing session.

PART IV

ENFORCEMENT

29.—(1) Where a person believes that a right of his under this Act has been infringed, the person may file with the Commission a complaint in a form approved by the Commission. Complaints

(2) The Commission may initiate a complaint by itself or at the request of any person. Idem

- (3) Where two or more complaints, Combining
of
complaints
- (a) bring into question a practice of infringement engaged in by the same person; or
- (b) have questions of law or fact in common,

the Commission may combine the complaints and deal with them in the same proceeding.

30.—(1) Subject to section 31, the Commission shall investigate a complaint and endeavour to effect a settlement. Investigation
of
complaints

(2) An investigation by the Commission may be made by a member or employee of the Commission who is authorized by the Commission for the purpose. Investigation

- (3) A person investigating a complaint may, without warrant, Powers on
investigation
- (a) enter any place that is not actually being used as a dwelling, at any reasonable time, for the purpose of investigating the complaint;
- (b) require the production for inspection and examination of any thing that is or may be relevant to the investigation of the complaint;
- (c) upon giving a receipt therefor, remove any writings or papers for the purpose of making copies thereof or extracts therefrom and shall promptly return them to the person who produced or furnished them; and
- (d) question any person on any matter relevant to the complaint and may exclude any other person from being present at the questioning.

(4) Where a justice of the peace is satisfied by evidence upon oath that there is reasonable and probable ground to believe that there is in any place that is being used as a dwelling any thing that will afford evidence relevant to the complaint, he may issue a Search
warrants

warrant in the prescribed form authorizing a person named in the warrant to enter and search such place for the purposes of exercising the powers under subsection 3 to obtain the evidence, but the entry under the warrant shall be made between sunrise and sunset unless the justice of the peace orders otherwise.

Enlisting
aid of
police
officer

(5) A person investigating a complaint may call upon a police officer to assist him in the exercise of his powers under this section.

Obstructing
investigation

(6) No person shall hinder, obstruct or interfere with a person who is investigating a complaint in the exercise of a power or the performance of a duty under this Act or withhold from him any thing that is or may be relevant to the investigation of a complaint.

Decision
to not
deal with
complaint

31.—(1) Where it appears to the Commission that,

- (a) the complaint is one that could or should be more appropriately dealt with under an Act other than this Act;
- (b) the subject-matter of the complaint is trivial, frivolous, vexatious or made in bad faith;
- (c) the complaint is not within the jurisdiction of the Commission; or
- (d) the facts upon which the complaint is based occurred more than six months before the complaint was filed, unless the Commission is satisfied that the delay was incurred in good faith and no substantial prejudice will result to any person affected by the delay,

the Commission may, in its discretion, decide to not deal with the complaint.

Notice of
decision
and
reasons

(2) Where the Commission decides to not deal with a complaint, it shall advise the complainant in writing of the decision and the reasons therefor and of the procedure under section 34 for having the decision reconsidered.

Panel of
members
for boards
of inquiry

32.—(1) The Minister shall appoint a panel of persons to act as members of boards of inquiry.

Remuneration

(2) The members of boards of inquiry shall be paid such allowances and expenses as are fixed by the Lieutenant Governor in Council.

Referred
to board
of inquiry

33.—(1) Where the Commission fails to effect a settlement of the complaint and it appears to the Commission that the procedure is appropriate and the evidence warrants an inquiry, the Commission may request the Minister to appoint a board of inquiry and refer the subject-matter of the complaint to the board.

(2) Where the Commission decides to not request the Minister to appoint a board of inquiry, it shall advise the complainant in writing of the decision and the reasons therefor and of the procedure under section 34 for having the decision reconsidered.

Notice of
decision
not to
appoint
inquiry

34.—(1) The Commission may, at any time upon the written request of the complainant, reconsider any decision made by the Commission under section 31 or 33, if it considers it advisable to do so.

Reconsidera-
tion

(2) The written request of the complainant for a reconsideration under subsection 1 shall contain a concise statement of the material facts comprising the complaint and the reason why an inquiry and order are necessary.

Contents
of request

35.—(1) Where the Commission requests the Minister to appoint a board of inquiry, the Minister shall appoint from the panel one or more persons to form the board of inquiry and the Minister shall communicate the names of the persons forming the board to the parties to the inquiry.

Appointment
of board

(2) A member of the board hearing a complaint must not have taken part in any investigation or consideration of the subject-matter of the inquiry before the hearing and shall not communicate directly or indirectly in relation to the subject-matter of the inquiry with any person or with any party or his representative except upon notice to and opportunity for all parties to participate, but the board may seek legal advice from an adviser independent of the parties and in such case the nature of the advice shall be made known to the parties in order that they may make submissions as to the law.

Members at
hearing not
to have
taken part
in investi-
gation, etc.

36.—(1) The board of inquiry shall hold a hearing,

Hearing

(a) to determine whether a right of the complainant under this Act has been infringed;

(b) to determine who infringed the right; and

(c) to decide upon an appropriate order under section 38,

and the hearing shall be commenced within thirty days after the date on which the members were appointed.

(2) The parties to a proceeding before a board of inquiry are,

Parties

(a) the Commission, which shall have the carriage of the complaint;

(b) the complainant;

- (c) any person who the complainant alleges has infringed the right;
- (d) any person who the Commission alleges has infringed the right;
- (e) any person appearing to the board of inquiry to have infringed the right;
- (f) where the complaint is of alleged conduct constituting harassment under subsection 2 of section 2 or subsection 2 of section 4, any person who, in the opinion of the board, knew or was in possession of facts from which he ought reasonably to have known of the conduct and who had authority to penalize or prevent the conduct.

Adding
parties

(3) A party may be added by the board of inquiry under clause *e* or *f* of subsection 2 at any stage of the proceeding upon such terms as the board considers proper.

Recording
of
evidence

37.—(1) The oral evidence taken before a board at a hearing shall be recorded, and, if so required, copies of a transcript thereof shall be furnished upon the same terms as in the Supreme Court.

Findings
of fact

1971, c. 47

(2) The findings of fact of a board pursuant to a hearing shall be based exclusively on evidence admissible or matters that may be noticed under sections 15 and 16 of *The Statutory Powers Procedure Act, 1971*.

Orders of
boards of
inquiry

38.—(1) Where the board of inquiry, after a hearing, finds that a right of the complainant under Part I has been infringed and that the infringement is a contravention of section 8 by a party to the proceeding, the board may, by order,

- (a) direct the party to do anything that, in the opinion of the board, it ought to do to achieve compliance with this Act, both in respect of the complaint and in respect of future practices; and
- (b) direct the party to make restitution, including monetary compensation, for loss arising out of the infringement, and monetary compensation may include an award, not exceeding \$15,000, for mental anguish.

Board
may make
finding

(2) Where a right is infringed and the contravention is on the ground of a handicap, the board, in addition to an order under subsection 1, may make a finding as to whether or not,

- (a) access to or use of premises or facilities of the party who is found to be a contravener is obstructed for persons having the handicap of the complainant; or
- (b) the premises or facilities of the party who is found to be a contravener lack amenities appropriate for persons having the handicap of the complainant,

and, when the board makes the finding, the board may, unless the costs occasioned thereby would cause undue hardship and, subject to the regulations, order that the party take such measures as will remove the obstruction or provide the amenities, or any part of them, as are set out in the order.

(3) In addition to the powers conferred by subsection 2, where a right under subsection 1 of section 4 is infringed on the ground of a handicap, the board, in addition to any other order, may make a finding as to whether or not the equipment or the essential duties of the employment could be adapted by the party who is found to be a contravener to meet the needs of the person whose right is infringed and where the board makes the finding, the board may, unless the costs occasioned thereby would cause undue hardship and subject to the regulations, order that the party take such measures as will meet such needs as are set out in the order.

(4) Where a right is infringed and the contravention consists of harassment under subsection 2 of section 2 or subsection 2 of section 4, and the board finds that a person who is a party to the proceeding,

- (a) knew or was in possession of knowledge from which he ought to have known of the infringement; and
- (b) had the authority by reasonably available means to penalize or prevent the conduct and failed to use it,

the board may make an order requiring such person where on future occasions,

- (c) he knows or is in possession of facts from which he ought reasonably to know that there is conduct constituting harassment on the same grounds; and
- (d) he has authority to penalize or prevent the conduct,

to take whatever sanctions or steps are reasonably available to prevent the continuation or recurrence of the conduct and breach of the order is grounds for a complaint under section 29 and this Part applies to the complaint in the same manner as if the breach were an infringement of a right under this Act.

Decision
within
30 days

(5) The board of inquiry shall make its finding and decision within thirty days after the conclusion of its hearing.

Appeal from
decision of
board of
inquiry

39.—(1) Any party to a proceeding before a board of inquiry may appeal from a decision or order of the board to the Supreme Court in accordance with the rules of court.

Record to
be filed
in court

(2) Where notice of an appeal is served under this section, the board of inquiry shall forthwith file in the Supreme Court the record of the proceedings before it in which the decision or order appealed from was made which, together with a transcript of the oral evidence taken before the board if it is not part of the record of the board, shall constitute the record in the appeal.

Powers
of court

(3) An appeal under this section may be made on questions of law or fact or both and the court may affirm or reverse the decision or order of the board of inquiry or direct the board to make any decision or order that the board is authorized to make under this Act and the court may substitute its opinion for that of the board.

Settlements

40. Where a settlement of a complaint is agreed to in writing, signed by the parties and approved by the Commission, the settlement is binding upon the parties, and a breach of the settlement is grounds for a complaint under section 29, and this Part applies to the complaint in the same manner as if the breach of the settlement were an infringement of a right under this Act.

Penalty

41.—(1) Every person who contravenes section 8, subsection 6 of section 30, or an order of a board of inquiry, is guilty of an offence and on conviction is liable to a fine of not more than \$25,000.

Consent to
prosecution

(2) No prosecution for an offence under this Act shall be instituted except with the consent in writing of the Attorney General.

Acts of
officers,
etc.

42. For the purposes of this Act, any act or thing done or omitted to be done by an officer, official, employee or agent of a corporation, trade union, trade or occupational association, unincorporated association or employers' organization shall be deemed to be an act or thing done or omitted to be done by the corporation, trade union, trade or occupational association, unincorporated association or employers' organization.

PART V

GENERAL

Interpre-
tation

43. In this Act,

- (a) "Minister" means the member of the Executive Council to whom the administration of this Act is assigned by the Lieutenant Governor in Council;
- (b) "Commission" means the Ontario Human Rights Commission;
- (c) "person", in addition to the extended meaning given it by *The Interpretation Act*, includes an employment agency, an employers' organization, an unincorporated association, a trade or occupational association, a trade union, a partnership, a municipality and a board of police commissioners established under *The Police Act*. R.S.O. 1970,
cc. 225, 351

44.—(1) This Act binds the Crown and every agency of the Crown. Act binds
Crown

(2) Where a provision in an Act or regulation purports to require or authorize conduct that is a contravention of Part I, this Act applies and prevails unless the Act or regulation specifically provides that it is to apply notwithstanding this Act. Act has
primacy
over other
Acts

(3) Subsection 2 does not apply to an Act or regulation heretofore enacted or made until two years after this Act comes into force. Application

45. The Lieutenant Governor in Council may make regulations prescribing criteria or guidelines for boards of inquiry in the making of findings under subsection 2 of section 38. Regulations

46. The following are repealed: Repeals

1. *The Ontario Human Rights Code*, being chapter 318 of the Revised Statutes of Ontario, 1970.
2. Section 63 of *The Civil Rights Statute Law Amendment Act, 1971*, being chapter 50.
3. *The Ontario Human Rights Code Amendment Act, 1972*, being chapter 119.
4. *The Ontario Human Rights Code Amendment Act, 1974*, being chapter 73.

47. This Act comes into force on a day to be named by Proclamation of the Lieutenant Governor. Commence-
ment

48. The short title of this Act is *The Human Rights Code*, 1981. Short title

An Act to revise and extend Protection
of Human Rights in Ontario

1st Reading

April 24th, 1981

2nd Reading

3rd Reading

THE HON. R. G. ELGIE
Minister of Labour

(Government Bill)

56
BILL 7

Government Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

LEGISLATIVE ASSEMBLY
2

An Act to revise and extend
Protection of Human Rights in Ontario

THE HON. R. G. ELGIE
Minister of Labour

(Reprinted as amended by the Resources Development Committee)



EXPLANATORY NOTES

The Bill is a revision of the Ontario Human Rights Code. The principal changes include:

1. The circumstances under which discrimination is prohibited are extended to include:
 - (a) discrimination in the equal treatment with respect to goods, services and facilities generally and not limited to those available in a place to which the public is customarily admitted;
 - (b) discrimination in contracts;
 - (c) discrimination because of a person's association with others;
 - (d) discrimination on a ground that has the result of discrimination because of a prohibited ground;
 - (e) harassment of an occupant of accommodation by the landlord or another occupant because of a prohibited ground;
 - (f) harassment of an employee by the employer or another employee because of a prohibited ground of discrimination;
 - (g) harassment because of sex in accommodation or a workplace and sexual solicitation, reprisal or threat of reprisal by a person in a position to confer, grant or deny a benefit.
2. The prohibited grounds of discrimination are extended to include:
 - (a) handicap;
 - (b) marital status with certain exceptions in the case of accommodation;
 - (c) record of offences in the case of employment;
 - (d) age of 18 and over and in the case of employment, under 65 years;
 - (e) family status with certain exceptions in the case of accommodation;
 - (f) receipt of public assistance in the case of accommodation.
3. Sanctions against discrimination in employment by contractors under Government contracts.
4. Protection in employment is extended to domestic workers.

5. Landlords and employers may be made responsible to prevent harassment of tenants and employees.
6. The Bill would bind the Crown and have primacy over other legislation.
7. The Commission is empowered to recommend for consideration special plans or programs.
8. A Race Relations Division is established with its own Commissioner.
9. Boards of inquiry are required to issue decisions within 30 days of the conclusion of their hearings.
10. Boards of inquiry are empowered to make orders respecting access for the handicapped after a finding of discrimination has been made.
11. Boards of inquiry are empowered to award damages for mental anguish in aggravated cases.

BILL 7

1981

An Act to revise and extend Protection of Human Rights in Ontario

WHEREAS recognition of the inherent dignity and the equal ^{Preamble} and inalienable rights of all members of the human family is the foundation of freedom, justice and peace in the world and is in accord with the Universal Declaration of Human Rights as proclaimed by the United Nations;

AND WHEREAS it is public policy in Ontario to recognize the dignity and worth of every person and to provide for equal rights and opportunities without discrimination that is contrary to law, and having as its aim the creation of a climate of understanding and mutual respect for the dignity and worth of each person so that each person feels a part of the community and able to contribute fully to the development and well-being of the community and the Province;

AND WHEREAS these principles have been confirmed in Ontario by a number of enactments of the Legislature and it is desirable to revise and extend the protection of human rights in Ontario;

Therefore, Her Majesty, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

PART I

FREEDOM FROM DISCRIMINATION

1. Every person has a right to equal treatment with respect to ^{Services} services, goods and facilities, without discrimination because of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, age, marital status, family status or handicap.

2.—(1) Every person has a right to equal treatment with ^{Accommodation} respect to the occupancy of accommodation, without discrimination because of race, ancestry, place of origin, colour, ethnic

origin, citizenship, creed, sex, age, marital status, family status, handicap or the receipt of public assistance.

Harassment
in accom-
modation

(2) Every person who occupies accommodation has a right to freedom from harassment by the landlord or agent of the landlord or by an occupant of the same building because of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, age, marital status, family status, handicap or the receipt of public assistance.

Contracts

3. Every person having legal capacity has a right to contract on equal terms without discrimination because of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, age, marital status, family status or handicap.

Employment

4.—(1) Every person has a right to equal treatment with respect to employment without discrimination because of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, age, record of offences, marital status, family status or handicap.


Harassment
in
employment

(2) Every person who is an employee has a right to freedom from harassment in the workplace by the employer or agent of the employer or by another employee because of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, age, record of offences, marital status, family status or handicap.

Vocational
associations

5. Every person has a right to equal treatment with respect to membership in any trade union, trade or occupational association or self-governing profession without discrimination because of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, age, marital status, family status or handicap.

Harassment
because of
sex in
accommodation

 **6.—(1)** Every person who occupies accommodation has a right to freedom from harassment because of sex by the landlord or agent of the landlord or by an occupant of the same building.

Harassment
because of
sex in
workplaces

(2) Every person who is an employee has a right to freedom from harassment in the workplace because of sex by his or her employer or agent of the employer or by another employee.

Sexual
solicitation
by a person
in position
to confer
benefit, etc.

(3) Every person has a right to be free from,

- (a) a sexual solicitation or advance made by a person in a position to confer, grant or deny a benefit or advancement to the person where the person making the solicitation or advance knows or ought reasonably to know that it is unwelcome; or
- (b) a reprisal or a threat of reprisal for the rejection of a sexual solicitation or advance where the reprisal is

made or threatened by a person in a position to confer, grant or deny a benefit or advancement to the person.

7. Every person has a right to claim and enforce his or her rights under his Act, to institute and participate in proceedings under this Act and to refuse to infringe a right of another person under this Act, without reprisal or threat of reprisal for so doing.

8. No person shall infringe or do, directly or indirectly, any-thing that infringes a right under this Part.

PART II

INTERPRETATION AND APPLICATION

9. In Part I and in this Part,

(a) “age” means an age that is eighteen years or more, except in subsection 4 (1) where “age” means an age that is eighteen years or more and less than sixty-five years;

(b) “because of handicap” means for the reason that the person has or has had, or is believed to have or have had,

(i) any degree of physical disability, infirmity, malformation or disfigurement that is caused by bodily injury, birth defect or illness and, without limiting the generality of the foregoing, including diabetes mellitus, epilepsy, any degree of paralysis, amputation, lack of physical co-ordination, blindness or visual impediment, deafness or hearing impediment, muteness or speech impediment, or physical reliance on a dog guide or on a wheelchair or other remedial appliance or device,

(ii) a condition of mental retardation or impairment,

(iii) a learning disability, or a dysfunction in one or more of the processes involved in understanding or using symbols or spoken language, or

(iv) a mental disorder;

(c) “equal” means subject to all requirements, qualifications and considerations that are not a prohibited ground of discrimination;

(d) "family status" means the status of being in a parent and child relationship;

(e) "group insurance" means insurance whereby the lives or well-being or the lives and well-being of a number of persons are insured severally under a single contract between an insurer and an association or an employer or other person;

(f) "harassment" means engaging in a course of vexatious comment or conduct that is known or ought reasonably to be known to be unwelcome;

(g) "marital status" means the status of being married, single, widowed, divorced or separated and includes the status of living with a person of the opposite sex in a conjugal relationship outside marriage;

(h) "record of offences" means a conviction for,

(i) an offence in respect of which a pardon has been granted under the *Criminal Records Act* (Canada) and has not been revoked, or

(ii) an offence in respect of any provincial enactment;

(i) "services" does not include a levy, fee, tax or periodic payment imposed by law;

(j) "spouse" means the person to whom a person of the opposite sex is married or with whom the person is living in a conjugal relationship outside marriage.

Constructive
discrimina-
tion

10. A right of a person under Part I is infringed where a requirement, qualification or consideration is imposed that is not discrimination on a prohibited ground but that would result in the exclusion, qualification or preference of a group of persons who are identified by a prohibited ground of discrimination and of whom the person is a member, except where,

(a) the requirement, qualification or consideration is a reasonable and *bona fide* one in the circumstances; or

(b) it is declared in this Act that to discriminate because of such ground is not an infringement of a right.

Discrimin-
ation
because of
association

11. A right under Part I is infringed where the discrimination is because of relationship, association or dealings with a person or persons identified by a prohibited ground of discrimination.



12.—(1) A right under Part I is infringed by a person who publishes or displays before the public or causes the publication or display before the public of any notice, sign, symbol, emblem, or other similar representation that indicates the intention of the person to infringe a right under Part I or that is intended by the person to incite the infringement of a right under Part I. Announced intention to discriminate

(2) Subsection (1) shall not interfere with freedom of expression of opinion. Opinion



13.—(1) A right under Part I is not infringed by the implementation of a special program designed to relieve hardship or economic disadvantage or to assist disadvantaged persons or groups to achieve or attempt to achieve equal opportunity or that is likely to contribute to the elimination of the infringement of rights under Part I. Special programs

(2) The Commission may,

Review by Commission

(a) upon its own initiative;

(b) upon application by a person seeking to implement a special program under the protection of subsection (1); or

(c) upon a complaint in respect of which the protection of subsection (1) is claimed,

inquire into the special program and, in the discretion of the Commission, may by order declare,

(d) that the special program, as defined in the order, does not satisfy the requirements of subsection (1); or

(e) that the special program as defined in the order, with such modifications, if any, as the Commission considers advisable, satisfies the requirements of subsection (1).

(3) A person aggrieved by the making of an order under subsection (2) may request the Commission to reconsider its order and section 36, with necessary modifications, applies. Reconsideration

(4) Subsection (1) does not apply to a special program where an order is made under clause (2) (d) or where an order is made under clause (2) (e) with modifications of the special program that are not implemented. Effect of order

(5) Subsection (2) does not apply to a special program implemented by the Crown or an agency of the Crown. Subs. (2) does not apply to Crown

Age
sixty-five
or over



14. A right under Part I to non-discrimination because of age is not infringed where an age of sixty-five years or over is a requirement, qualification or consideration for preferential treatment.

Canadian
Citizen-
ship

15.—(1) A right under Part I to non-discrimination because of citizenship is not infringed where Canadian citizenship is a requirement, qualification or consideration imposed or authorized by law.

Idem

(2) A right under Part I to non-discrimination because of citizenship is not infringed where Canadian citizenship or lawful admission to Canada for permanent residence is a requirement, qualification or consideration adopted for the purpose of fostering and developing participation in cultural, educational, trade union or athletic activities by Canadian citizens or persons lawfully admitted to Canada for permanent residence.

Idem

(3) A right under Part I to non-discrimination because of citizenship is not infringed where Canadian citizenship or domicile in Canada with the intention to obtain Canadian citizenship is a requirement, qualification or consideration adopted by an organization or enterprise for the holder of chief or senior executive positions.

Handicap

16.—(1) A right of a person under this Act is not infringed for the reason only,

- (a) that the person does not have access to premises, services, goods, facilities or accommodation because of handicap, or that the premises, services, goods, facilities or accommodation lack the amenities that are appropriate for the person because of handicap; or
- (b) that the person is incapable of performing or fulfilling the essential duties or requirements attending the exercise of the right because of handicap.

Powers of
Commission

(2) Where, after the investigation of a complaint, the Commission determines that the evidence does not warrant the appointment of a board of inquiry because of the application of subsection (1), the Commission may nevertheless use its best endeavours to effect a settlement as to the provision of access or amenities or as to the duties or requirements.

Special
interest
organi-
zations

17. The rights under Part I to equal treatment with respect to services and facilities, with or without accommodation, is not infringed where membership or participation in a religious, philanthropic, educational, fraternal or social institution or organization that is primarily engaged in serving the interests of persons identified by a prohibited ground of discrimination is restricted to persons who are similarly identified.

18.—(1) This Act shall not be construed to adversely affect any right or privilege respecting separate schools enjoyed by separate school boards or their supporters under *The British North America Act, 1867* and the *Education Act*.

Separate school rights preserved
1867, c. 3
R.S.O. 1980, c. 129

(2) This Act does not apply to affect the application of the *Education Act* with respect to the duties of teachers.

Duties of teachers

19.—(1) The right under section 1 to equal treatment with respect to services and facilities without discrimination because of sex is not infringed where the use of the services or facilities is restricted to persons of the same sex on the ground of public decency.

Restriction of facilities by sex

(2) The right under section 1 to equal treatment with respect to services and facilities is not infringed where membership in an athletic organization or participation in an athletic activity is restricted to persons of the same sex.

Athletic activities

20.—(1) The right under section 2 to equal treatment with respect to the occupancy of residential accommodation without discrimination is not infringed by discrimination where the residential accommodation is in a dwelling in which the owner or his or her family reside if the occupant or occupants of the residential accommodation are required to share a bathroom or kitchen facility with the owner or family of the owner.

Shared accommodation

(2) The right under section 2 to equal treatment with respect to the occupancy of residential accommodation without discrimination because of sex is not infringed by discrimination on that ground where the occupancy of all the residential accommodation in the building, other than the accommodation, if any, of the owner or family of the owner, is restricted to persons who are of the same sex.

Restrictions on accommodation, sex

(3) The right under section 2 to equal treatment with respect to the occupancy of residential accommodation without discrimination because of marital status is not infringed by discrimination on that ground where the occupancy is in a building that contains not more than four dwelling units, one of which is occupied by the owner or family of the owner.

Idem: marital status

(4) The right under section 2 to equal treatment with respect to the occupancy of residential accommodation without discrimination because of family status is not infringed by discrimination on that ground where the residential accommodation is in a building, or designated part of the building, that contains more than one dwelling unit served by a common entrance and the occupancy of all the residential accommodation in the building or in the designated part of the building is restricted because of family status.

Idem: family status

Restrictions
for insurance
contracts, etc.

21. The right under sections 1 and 3 to equal treatment with respect to services and to contract on equal terms, without discrimination because of age, sex, marital status, family status or handicap, is not infringed where a contract of automobile, life, accident or sickness or disability insurance or a contract of group insurance between an insurer and an association or person other than an employer, or a life annuity, differentiates or makes a distinction, exclusion or preference on reasonable and *bona fide* grounds because of age, sex, marital status, family status or handicap.

Discriminatory
employment
advertising

22.—(1) The right under section 4 to equal treatment with respect to employment is infringed where an invitation to apply for employment or an advertisement in connection with employment is published or displayed that directly or indirectly classifies or indicates qualifications by a prohibited ground of discrimination.

Application
for
employment

(2) The right under section 4 to equal treatment with respect to employment is infringed where a form of application for employment is used or a written or oral inquiry is made of an applicant that directly or indirectly classifies or indicates qualifications by a prohibited ground of discrimination.

Questions at
interview

(3) Nothing in subsection (2) precludes the asking of questions at a personal employment interview concerning a prohibited ground of discrimination where discrimination on such ground is permitted under this Act.

Employment
agencies

(4) The right under section 4 to equal treatment with respect to employment is infringed where an employment agency discriminates against a person because of a prohibited ground of discrimination in receiving, classifying, disposing of or otherwise acting upon applications for its services or in referring an applicant or applicants to an employer or agent of an employer.


Special
employment

23. The right under section 4 to equal treatment with respect to employment is not infringed where,

- (a) a religious, philanthropic, educational, fraternal or social institution or organization that is primarily engaged in serving the interests of persons identified by their race, ancestry, place of origin, colour, ethnic origin, creed, sex, age, marital status or handicap employs only, or gives preference in employment to, persons similarly identified if the qualification is a reasonable and *bona fide* qualification because of the nature of the employment;
- (b) the discrimination in employment is for reasons of age, sex, record of offences or marital status if the age, sex, record of offences or marital status of the applicant is a

reasonable and *bona fide* qualification because of the nature of the employment;

- (c) an individual person refuses to employ another for reasons of any prohibited ground of discrimination in section 4, where the primary duty of the employment is attending to the medical or personal needs of the person or of an ill child or an aged, infirm or ill spouse or other relative of the person; or

-  (d) an employer grants or withholds employment or advancement in employment to a person who is the spouse, child or parent of the employer or an employee.

24.—(1) The right under section 4 to equal treatment with respect to employment is infringed where employment is denied or made conditional because a term or condition of employment requires enrolment in an employee benefit, pension or superannuation plan or fund or a contract of group insurance between an insurer and an employer, that makes a distinction, preference or exclusion on a prohibited ground of discrimination.

Employment conditional on membership in pension plan

(2) The right under section 4 to equal treatment with respect to employment without discrimination because of age, sex, marital status or family status is not infringed by an employee superannuation or pension plan or fund or a contract of group insurance between an insurer and an employer that complies with the *Employment Standards Act* and the regulations thereunder.

Pension or disability plan under R.S.O. 1980, c. 137

(3) The right under section 4 to equal treatment with respect to employment without discrimination because of handicap is not infringed,

Employee disability and pension plans: handicap

- (a) where a reasonable and *bona fide* distinction, exclusion or preference is made in an employee disability plan or benefit because of a pre-existing handicap that substantially increases the risk;
- (b) where a reasonable and *bona fide* distinction, exclusion or preference is made on the ground of a pre-existing handicap in respect of an employee-pay-all or participant-pay-all benefit in an employee benefit, pension or superannuation plan or fund or a contract of group insurance between an insurer and an employer or in respect of a plan, fund or policy that is offered by an employer to his employees if they are fewer than twenty-five in number.

(4) An employer shall pay to an employee who is excluded because of a handicap from an employee benefit, pension or

Compensation

superannuation plan or fund or a contract of group insurance between an insurer and the employer compensation equivalent to the contribution that the employer would make thereto on behalf of an employee who does not have a handicap.

Discrimina-
tion in
employment
under
government
contracts

25.—(1) It shall be deemed to be a condition of every contract entered into by or on behalf of the Crown or any agency thereof and of every subcontract entered into in the performance thereof that no right under section 4 will be infringed in the course of performing the contract.

Idem:
government
grants
and loans

(2) It shall be deemed to be a condition of every grant, contribution, loan or guarantee made by or on behalf of the Crown or any agency thereof that no right under section 4 will be infringed in the course of carrying out the purposes for which the grant, contribution, loan or guarantee was made.

Sanction

(3) Where an infringement of a right under section 4 is found by a board of inquiry upon a complaint and constitutes a breach of a condition under this section, the breach of condition is sufficient grounds for cancellation of the contract, grant, contribution, loan or guarantee and refusal to enter into any further contract with or make any further grant, contribution, loan or guarantee to the same person.

PART III

THE ONTARIO HUMAN RIGHTS COMMISSION

Commission
continued

26.—(1) The Ontario Human Rights Commission is continued and shall be composed of such persons, being not fewer than seven, as are appointed by the Lieutenant Governor in Council.

Responsible
to Minister

(2) The Commission is responsible to the Minister for the administration of this Act.

Chairman

(3) The Lieutenant Governor in Council shall designate a member of the Commission as chairman, and a member as vice-chairman.

Remunera-
tion

(4) The Lieutenant Governor in Council may fix the remuneration and allowance for expenses of the chairman, vice-chairman and members of the Commission.

Staff
R.S.O. 1980,
c. 418





(5) The employees of the Commission shall be appointed under the *Public Service Act*.

(6) The Commission may authorize any function of the Com- ^{Divisions}
mission to be performed by a division of the Commission com-
posed of at least three members of the Commission.

27.—(1) The Lieutenant Governor in Council shall designate ^{Race}
at least three members of the Commission to constitute a race ^{relations}
relations division of the Commission and shall designate one ^{division}
member of the race relations division as Commissioner for Race
Relations.

(2) It is the function of the race relations division of the Com- ^{Functions}
mission to perform any of the functions of the Commission under
clause 28 (f), (g) or (h) relating to race, ancestry, place of origin,
colour, ethnic origin or creed that are referred to it by the Com-
mission and any other function referred to it by the Commission.

28. It is the function of the Commission, ^{Function of}
^{Commission}

-  (a) to forward the policy that the dignity and worth of every person be recognized and that equal rights and opportunities be provided without discrimination that is contrary to law; 
- (b) to promote an understanding and acceptance of and compliance with this Act;
-  (c) to recommend for consideration a special plan or program designed to meet the requirements of subsection 13 (1), subject to the right of a person aggrieved by the implementation of the plan or program to request the Commission to reconsider its recommendation and section 36 applies with necessary modifications; 
- (d) to develop and conduct programs of public information and education and undertake, direct and encourage research designed to eliminate discriminatory practices that infringe rights under this Act;
- (e) to examine and review any statute or regulation, and any program or policy made by or under a statute and make recommendations on any provision, program or policy, that in its opinion is inconsistent with the intent of this Act;
- (f) to inquire into incidents of and conditions leading or tending to lead to tension or conflict based upon identification by a prohibited ground of discrimination and take appropriate action to eliminate the source of tension or conflict;

- (g) to initiate investigations into problems based upon identification by a prohibited ground of discrimination that may arise in a community, and encourage and co-ordinate plans, programs and activities to reduce or prevent such problems;
- (h) to promote, assist and encourage public, municipal or private agencies, organizations, groups or persons to engage in programs to alleviate tensions and conflicts based upon identification by a prohibited ground of discrimination;
- (i) to enforce this Act and orders of boards of inquiry; and
- (j) to perform the functions assigned to it by this or any other Act.

Evidence
obtained
in course of
investigation

29.—(1) No person who is a member of the Commission shall be required to give testimony in a civil suit or any proceeding as to information obtained in the course of an investigation under this Act.

Idem

(2) No person who is employed in the administration of this Act shall be required to give testimony in a civil suit or any proceeding other than a proceeding under this Act as to information obtained in the course of an investigation under this Act.

Annual
report

30.—(1) The Commission shall make a report to the Minister not later than the 30th day of June in each year upon the affairs of the Commission during the year ending on the 31st day of March of that year.

Idem

(2) The Minister shall submit the report to the Lieutenant Governor in Council who shall cause the report to be laid before the Assembly if it is in session, or, if not, at the next ensuing session.

PART IV

ENFORCEMENT

Complaints

31.—(1) Where a person believes that a right of his under this Act has been infringed, the person may file with the Commission a complaint in a form approved by the Commission.

Idem

(2) The Commission may initiate a complaint by itself or at the request of any person.

(3) Where two or more complaints,

Combining
of complaints

- (a) bring into question a practice of infringement engaged in by the same person; or
- (b) have questions of law or fact in common,

the Commission may combine the complaints and deal with them in the same proceeding.

32.—(1) Subject to section 33, the Commission shall investigate a complaint and endeavour to effect a settlement. Investigation
of complaints

(2) An investigation by the Commission may be made by a member or employee of the Commission who is authorized by the Commission for the purpose. Investigation



(3) A person authorized to investigate a complaint may,

Powers on
investigation

- (a) enter any place, other than a place that is being used as a dwelling, at any reasonable time, for the purpose of investigating the complaint;
- (b) request the production for inspection and examination of documents or things that are or may be relevant to the investigation;
- (c) upon giving a receipt therefor, remove from a place documents produced in response to a request under clause (b) for the purpose of making copies thereof or extracts therefrom and shall promptly return them to the person who produced or furnished them; and
- (d) question a person on matters that are or may be relevant to the complaint subject to the person's right to have counsel or a personal representative present during such questioning, and may exclude from the questioning any person who may be adverse in interest to the complainant.

(4) A person investigating a complaint shall not enter a place that is being used as a dwelling without the consent of the occupier except under the authority of a warrant issued under subsection (8). Entry into
dwellings

(5) Subject to subsection (4), if a person who is or may be a party to a complaint denies entry to any place, or instructs the person investigating to leave the place, or impedes or prevents an investigation therein, the Commission may request the Minister to appoint a board of inquiry or may authorize an employee or member to apply to a justice of the peace for a warrant to enter under subsection (8). Denial of
entry

Refusal to
produce

(6) If a person refuses to comply with a request for production of documents or things, the Commission may request the Minister to appoint a board of inquiry, or may authorize an employee or member to apply to a justice of the peace for a search warrant under subsection (7).

Warrant
for search

(7) Where a justice of the peace is satisfied on evidence upon oath that there are in a place documents that there is reasonable ground to believe will afford evidence relevant to the complaint, he may issue a warrant in the prescribed form authorizing a person named in the warrant to search a place for any such documents, and to remove them for the purposes of making copies thereof or extracts therefrom, and the documents shall be returned promptly to the place from which they were removed.

Warrant
for entry

(8) Where a justice of the peace is satisfied by evidence upon oath that there is reasonable ground to believe it is necessary that a place being used as a dwelling or to which entry has been denied be entered to investigate a complaint, he may issue a warrant in the prescribed form authorizing such entry by a person named in the warrant.

Execution
of warrant

(9) A warrant issued under subsection (7) or (8) shall be executed at reasonable times as specified in the warrant.

Expiration
of warrant

(10) Every warrant shall name a date on which it expires, which shall be a date not later than fifteen days after it is issued.

Obstruction

(11) No person shall hinder, obstruct or interfere with a person in the execution of a warrant or otherwise impede an investigation under this Act.

Idem

(12) Subsection (11) is not contravened by a refusal to comply with a request for the production of documents or things made under clause (3) (b).

Admissibility
of copies

(13) Copies of, or extracts from, documents removed from premises under clause (3) (c) or subsection (7) certified as being true copies of the originals by the person who made them, are admissible in evidence to the same extent as, and have the same evidentiary value as, the documents of which they are copies or extracts.

Decision
to not
deal with
complaint

33.—(1) Where it appears to the Commission that,

(a) the complaint is one that could or should be more appropriately dealt with under an Act other than this Act;

- (b) the subject-matter of the complaint is trivial, frivolous, vexatious or made in bad faith;
- (c) the complaint is not within the jurisdiction of the Commission; or
- (d) the facts upon which the complaint is based occurred more than six months before the complaint was filed, unless the Commission is satisfied that the delay was incurred in good faith and no substantial prejudice will result to any person affected by the delay,

the Commission may, in its discretion, decide to not deal with the complaint.

(2) Where the Commission decides to not deal with a complaint, it shall advise the complainant in writing of the decision and the reasons therefor and of the procedure under section 36 for having the decision reconsidered.

Notice of
decision
and
reasons

34.—(1) The Minister shall appoint a panel of persons to act as members of boards of inquiry.

Panel of
members
for boards
of inquiry

(2) The members of boards of inquiry shall be paid such allowances and expenses as are fixed by the Lieutenant Governor in Council.


Remuner-
ation

35.—(1) Where the Commission fails to effect a settlement of the complaint and it appears to the Commission that the procedure is appropriate and the evidence warrants an inquiry, the Commission may request the Minister to appoint a board of inquiry and refer the subject-matter of the complaint to the board.

Referred
to board
of inquiry

(2) Where the Commission decides to not request the Minister to appoint a board of inquiry, it shall advise the complainant and the person complained against in writing of the decision and the reasons therefor and inform the complainant of the procedure under section 36 for having the decision reconsidered.

Notice of
decision
not to
appoint
inquiry

 **36.**—(1) Within a period of fifteen days of the date of mailing the decision and reasons therefor mentioned in subsection 33 (2) or subsection 35 (2), or such longer period as the Commission may for special reasons allow, a complainant may request the Commission to reconsider its decision by filing an application for reconsideration containing a concise statement of the material facts upon which the application is based.

Reconsidera-
tion

(2) Upon receipt of an application for reconsideration the Commission shall as soon as is practicable notify the person

Notice of
application

complained against of the application and afford the person an opportunity to make written submissions with respect thereto within such time as the Commission specifies.

Decision

(3) Every decision of the Commission on reconsideration together with the reasons therefor shall be recorded in writing and promptly communicated to the complainant and the person complained against and the decision shall be final.

Appointment
of board

37.—(1) Where the Commission requests the Minister to appoint a board of inquiry, the Minister shall appoint from the panel one or more persons to form the board of inquiry and the Minister shall communicate the names of the persons forming the board to the parties to the inquiry.

Members at
hearing not
to have
taken part
in investi-
gation, etc.

(2) A member of the board hearing a complaint must not have taken part in any investigation or consideration of the subject-matter of the inquiry before the hearing and shall not communicate directly or indirectly in relation to the subject-matter of the inquiry with any person or with any party or his representative except upon notice to and opportunity for all parties to participate, but the board may seek legal advice from an adviser independent of the parties and in such case the nature of the advice shall be made known to the parties in order that they may make submissions as to the law.

Hearing

38.—(1) The board of inquiry shall hold a hearing,

- (a) to determine whether a right of the complainant under this Act has been infringed;
- (b) to determine who infringed the right, and
- (c) to decide upon an appropriate order under section 40,

and the hearing shall be commenced within thirty days after the date on which the members were appointed.

Parties

(2) The parties to a proceeding before a board of inquiry are,

- (a) the Commission, which shall have the carriage of the complaint;
- (b) the complainant;
- (c) any person who the Commission alleges has infringed the right;
- (d) any person appearing to the board of inquiry to have infringed the right;

- (e) where the complaint is of alleged conduct constituting harassment under subsection 2 (2) or subsection 4 (2) or of alleged conduct under section 6, any person who, in the opinion of the board, knew or was in possession of facts from which he or she ought reasonably to have known of the conduct and who had authority to penalize or prevent the conduct.

- (3) A party may be added by the board of inquiry under clause (2) (d) or clause (2) (e) at any stage of the proceeding upon such terms as the board considers proper. Adding parties

- (4) Where a board exercises its power under clause 12 (1) (b) of the *Statutory Powers Procedure Act* to issue a summons requiring the production in evidence of documents or things, it may, upon the production of the documents or things before it, adjourn the proceedings to permit the parties to examine the documents or things. Adjournment on production
R.S.O. 1980,
c. 484

- (5) The board may, where it appears to be in the interests of justice, direct that the board and the parties and their counsel or representatives shall have a view of any place or thing, and may adjourn the proceedings for that purpose. Adjournment for view

39. The oral evidence taken before a board at a hearing shall be recorded, and copies of a transcript thereof shall be furnished upon request upon the same terms as in the Supreme Court. Recording of evidence

40.—(1) Where the board of inquiry, after a hearing, finds that a right of the complainant under Part I has been infringed and that the infringement is a contravention of section 8 by a party to the proceeding, the board may, by order, Orders of boards of inquiry

- (a) direct the party to do anything that, in the opinion of the board, the party ought to do to achieve compliance with this Act, both in respect of the complaint and in respect of future practices; and
- (b) direct the party to make restitution, including monetary compensation, for loss arising out of the infringement, and, where the infringement has been engaged in wilfully or recklessly, monetary compensation may include an award, not exceeding \$10,000, for mental anguish.

- (2) Where the board of inquiry at the conclusion of the hearing finds that a right of a person under Part 1 has been infringed by discrimination because of handicap, the board may then proceed to inquire whether, Idem

- (a) the person does not have access to premises, services, goods, facilities or accommodation of the party who is found to be a contravener, because of handicap; or
- (b) the premises, services, goods, facilities or accommodation of the party who is found to be a contravener lack amenities that are appropriate to persons because of the handicap,

and after making a finding thereon, the board may, unless the costs occasioned thereby would cause undue hardship and subject to the regulations, order that the party take such measures as will make such provision for access or amenities or as are set out in the order.

Idem

(3) In addition to the powers conferred by subsection (2), where the board of inquiry at the conclusion of the hearing under subsection (1) finds that a right of a person under Part I has been infringed by discrimination because of handicap, the board may then proceed to inquire and make a finding as to whether the equipment or essential duties attending the exercise of the right could be adapted to meet the needs of the person whose right is infringed and, after making a finding thereon, the board may, unless the costs occasioned thereby would cause undue hardship and subject to the regulations, order that the party take such measures to adapt the equipment or duties as will meet such needs and as are set out in the order.

Order to
prevent
harassment

(4) Where a board makes a finding under subsection (1) that a right is infringed on the ground of harassment under subsection 2 (2) or subsection 4 (2) or conduct under section 6, and the board finds that a person who is a party to the proceeding,

(a) knew or was in possession of knowledge from which he ought to have known of the infringement; and

(b) had the authority by reasonably available means to penalize or prevent the conduct and failed to use it,

the board shall remain seized of the matter and upon complaint of a continuation or repetition of the infringement of the right the Commission may investigate the complaint and, subject to subsection 35 (2), request the board to re-convene and if the board finds that a person who is a party to the proceeding,

(c) knew or was in possession of knowledge from which he or she ought to have known of the repetition of infringement; and

(d) had the authority by reasonably available means to penalize or prevent the continuation or repetition of the conduct and failed to use it,

the board may make an order requiring the person to take whatever sanctions or steps are reasonably available to prevent any further continuation or repetition of the infringement of the right.

(5) Where a board of inquiry for any reason is unable to exercise its powers under this section or section 38, the Commission may request the Minister to appoint a new board of inquiry in its place. Re-appointment of board

(6) Where, upon dismissing a complaint, the board of inquiry finds that, Costs

(a) the complaint was trivial, frivolous, vexatious or made in bad faith; or

(b) in the particular circumstances undue hardship was caused to the person complained against,

the board of inquiry may order the Commission to pay to the person complained against such costs as are fixed by the board.

(7) The board of inquiry shall make its finding and decision within thirty days after the conclusion of its hearing. Decision within 30 days

41.—(1) Any party to a proceeding before a board of inquiry may appeal from a decision or order of the board to the Divisional Court in accordance with the rules of court. Appeal from decision of board of inquiry

(2) Where notice of an appeal is served under this section, the board of inquiry shall forthwith file in the Divisional Court the record of the proceedings before it in which the decision or order appealed from was made and the record, together with a transcript of the oral evidence taken before the board if it is not part of the record of the board, shall constitute the record in the appeal. Record to be filed in court

(3) An appeal under this section may be made on questions of law or fact or both and the court may affirm or reverse the decision or order of the board of inquiry or direct the board to make any decision or order that the board is authorized to make under this Act and the court may substitute its opinion for that of the board. Powers of court

42. Where a settlement of a complaint is agreed to in writing, signed by the parties and approved by the Commission, the settlement is binding upon the parties, and a breach of the settlement is grounds for a complaint under section 31, and this Part applies to the complaint in the same manner as if the breach of the settlement were an infringement of a right under this Act. Settlements

Penalty

43.—(1) Every person who contravenes section 8, subsection 32 (11), or an order of a board of inquiry, is guilty of an offence and on conviction is liable to a fine of not more than \$25,000.

Consent to prosecution

(2) No prosecution for an offence under this Act shall be instituted except with the consent in writing of the Attorney General.

Acts of officers, etc.

44.—(1) For the purposes of this Act, except subsection 2 (2), subsection 4 (2), section 6 and subsection 43 (1), any act or thing done or omitted to be done in the course of his or her employment by an officer, official, employee or agent of a corporation, trade union, trade or occupational association, unincorporated association or employers' organization shall be deemed to be an act or thing done or omitted to be done by the corporation, trade union, trade or occupational association, unincorporated association or employers' organization.

Opinion re authority or acquiescence

(2) At the request of a corporation, trade union, trade or occupational association, unincorporated association or employers' organization, a board of inquiry in its decision shall make known whether or not, in its opinion, an act or thing done or omitted to be done by an officer, official, employee or agent was done or omitted to be done with or without the authority or acquiescence of the corporation, trade union, trade or occupational association, unincorporated association or employers' organization, and the opinion does not affect the application of subsection (1).

PART V

GENERAL

Interpretation

45. In this Act,

- (a) "Commission" means the Ontario Human Rights Commission;
- (b) "Minister" means the member of the Executive Council to whom the powers and duties of the Minister under this Act are assigned by the Lieutenant Governor in Council;
- (c) "person", in addition to the extended meaning given it by the *Interpretation Act*, includes an employment agency, an employers' organization, an unincorporated association, a trade or occupational association, a trade union, a partnership, a municipality and a board of police commissioners established under the *Police Act*.

46.—(1) This Act binds the Crown and every agency of the Crown. Act binds Crown

(2) Where a provision in an Act or regulation purports to require or authorize conduct that is a contravention of Part I, this Act applies and prevails unless the Act or regulation specifically provides that it is to apply notwithstanding this Act. Act has primacy over other Acts

(3) Subsection (2) does not apply to an Act or regulation heretofore enacted or made until two years after this Act comes into force. Application

47. The Lieutenant Governor in Council may make regulations, Regulations

(a) prescribing criteria or guidelines for boards of inquiry in the making of findings under subsections 40 (2) and (3);

(b) prescribing forms and notices and providing for their use.

48. The *Ontario Human Rights Code*, being chapter 340 of the Revised Statutes of Ontario, 1980, is repealed. Repeal

49. This Act comes into force on a day to be named by proclamation of the Lieutenant Governor. Commencement

50. The short title of this Act is the *Human Rights Code*, 1981. Short title

An Act to revise and extend Protection
of Human Rights in Ontario

1st Reading

April 24th, 1981

2nd Reading

May 25th, 1981

3rd Reading

THE HON. R. G. ELGIE
Minister of Labour

*(Reprinted as amended by the
Resources Development Committee)*

56

Government Publications

BILL 7

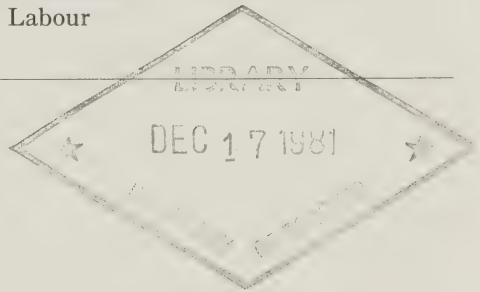
Government Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

LEGISLATIVE ASSEMBLY

An Act to revise and extend
Protection of Human Rights in Ontario

THE HON. R. G. ELGIE
Minister of Labour



(Reprinted as amended by the Committee of the Whole House)

TORONTO

PRINTED BY ALAN GORDON, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTES

The Bill is a revision of the Ontario Human Rights Code. The principal changes include:

1. The circumstances under which discrimination is prohibited are extended to include:
 - (a) discrimination in the equal treatment with respect to goods, services and facilities generally and not limited to those available in a place to which the public is customarily admitted;
 - (b) discrimination in contracts;
 - (c) discrimination because of a person's association with others;
 - (d) discrimination on a ground that has the result of discrimination because of a prohibited ground;
 - (e) harassment of an occupant of accommodation by the landlord or another occupant because of a prohibited ground;
 - (f) harassment of an employee by the employer or another employee because of a prohibited ground of discrimination;
 - (g) harassment because of sex in accommodation or a workplace and sexual solicitation, reprisal or threat of reprisal by a person in a position to confer, grant or deny a benefit.
2. The prohibited grounds of discrimination are extended to include:
 - (a) handicap;
 - (b) marital status with certain exceptions in the case of accommodation;
 - (c) record of offences in the case of employment;
 - (d) age of 18 and over and in the case of employment, under 65 years;
 - (e) family status with certain exceptions in the case of accommodation;
 - (f) receipt of public assistance in the case of accommodation.
3. Sanctions against discrimination in employment by contractors under Government contracts.
4. Protection in employment is extended to domestic workers.

5. Landlords and employers may be made responsible to prevent harassment of tenants and employees.
6. The Bill would bind the Crown and have primacy over other legislation.
7. The Commission is empowered to recommend for consideration special plans or programs.
8. A Race Relations Division is established with its own Commissioner.
9. Boards of inquiry are required to issue decisions within 30 days of the conclusion of their hearings.
10. Boards of inquiry are empowered to make orders respecting access for the handicapped after a finding of discrimination has been made.
11. Boards of inquiry are empowered to award damages for mental anguish in aggravated cases.

BILL 7

1981

An Act to revise and extend Protection of Human Rights in Ontario

WHEREAS recognition of the inherent dignity and the equal ^{Preamble} and inalienable rights of all members of the human family is the foundation of freedom, justice and peace in the world and is in accord with the Universal Declaration of Human Rights as proclaimed by the United Nations;

AND WHEREAS it is public policy in Ontario to recognize the dignity and worth of every person and to provide for equal rights and opportunities without discrimination that is contrary to law, and having as its aim the creation of a climate of understanding and mutual respect for the dignity and worth of each person so that each person feels a part of the community and able to contribute fully to the development and well-being of the community and the Province;

AND WHEREAS these principles have been confirmed in Ontario by a number of enactments of the Legislature and it is desirable to revise and extend the protection of human rights in Ontario;

Therefore, Her Majesty, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

PART I

FREEDOM FROM DISCRIMINATION

1. Every person has a right to equal treatment with respect to ^{Services} services, goods and facilities, without discrimination because of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, age, marital status, family status or handicap.

2.—(1) Every person has a right to equal treatment with ^{Accommodation} respect to the occupancy of accommodation, without discrimination because of race, ancestry, place of origin, colour, ethnic

origin, citizenship, creed, sex, age, marital status, family status, handicap or the receipt of public assistance.

Harassment
in accom-
modation

(2) Every person who occupies accommodation has a right to freedom from harassment by the landlord or agent of the landlord or by an occupant of the same building because of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, age, marital status, family status, handicap or the receipt of public assistance.

Contracts

3. Every person having legal capacity has a right to contract on equal terms without discrimination because of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, age, marital status, family status or handicap.

Employment

4.—(1) Every person has a right to equal treatment with respect to employment without discrimination because of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, age, record of offences, marital status, family status or handicap.

Harassment
in
employment

(2) Every person who is an employee has a right to freedom from harassment in the workplace by the employer or agent of the employer or by another employee because of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, age, record of offences, marital status, family status or handicap.

Vocational
associations

5. Every person has a right to equal treatment with respect to membership in any trade union, trade or occupational association or self-governing profession without discrimination because of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, age, marital status, family status or handicap.

Harassment
because of
sex in
accommodation

6.—(1) Every person who occupies accommodation has a right to freedom from harassment because of sex by the landlord or agent of the landlord or by an occupant of the same building.

Harassment
because of
sex in
workplaces

(2) Every person who is an employee has a right to freedom from harassment in the workplace because of sex by his or her employer or agent of the employer or by another employee.

Sexual
solicitation
by a person
in position
to confer
benefit, etc.

(3) Every person has a right to be free from,

- (a) a sexual solicitation or advance made by a person in a position to confer, grant or deny a benefit or advancement to the person where the person making the solicitation or advance knows or ought reasonably to know that it is unwelcome; or
- (b) a reprisal or a threat of reprisal for the rejection of a sexual solicitation or advance where the reprisal is

made or threatened by a person in a position to confer, grant or deny a benefit or advancement to the person.

7. Every person has a right to claim and enforce his or her rights under his Act, to institute and participate in proceedings under this Act and to refuse to infringe a right of another person under this Act, without reprisal or threat of reprisal for so doing. Reprisals

8. No person shall infringe or do, directly or indirectly, anything that infringes a right under this Part. Infringement prohibited

PART II

INTERPRETATION AND APPLICATION

9. In Part I and in this Part, Interpretation

- (a) "age" means an age that is eighteen years or more, except in subsection 4 (1) where "age" means an age that is eighteen years or more and less than sixty-five years;
- (b) "because of handicap" means for the reason that the person has or has had, or is believed to have or have had,
 - (i) any degree of physical disability, infirmity, malformation or disfigurement that is caused by bodily injury, birth defect or illness and, without limiting the generality of the foregoing, including diabetes mellitus, epilepsy, any degree of paralysis, amputation, lack of physical co-ordination, blindness or visual impediment, deafness or hearing impediment, muteness or speech impediment, or physical reliance on a dog guide or on a wheelchair or other remedial appliance or device,
 - (ii) a condition of mental retardation or impairment,
 - (iii) a learning disability, or a dysfunction in one or more of the processes involved in understanding or using symbols or spoken language, or
 - (iv) a mental disorder;
- (c) "equal" means subject to all requirements, qualifications and considerations that are not a prohibited ground of discrimination;

- (d) “family status” means the status of being in a parent and child relationship;
- (e) “group insurance” means insurance whereby the lives or well-being or the lives and well-being of a number of persons are insured severally under a single contract between an insurer and an association or an employer or other person;
- (f) “harassment” means engaging in a course of vexatious comment or conduct that is known or ought reasonably to be known to be unwelcome;
- (g) “marital status” means the status of being married, single, widowed, divorced or separated and includes the status of living with a person of the opposite sex in a conjugal relationship outside marriage;
- (h) “record of offences” means a conviction for,
 - (i) an offence in respect of which a pardon has been granted under the *Criminal Records Act* (Canada) and has not been revoked, or
 - (ii) an offence in respect of any provincial enactment;
- (i) “services” does not include a levy, fee, tax or periodic payment imposed by law;
- (j) “spouse” means the person to whom a person of the opposite sex is married or with whom the person is living in a conjugal relationship outside marriage.

R.S.C. 1970,
c. 12
(1st Supp.)

Constructive
discrimina-
tion

10. A right of a person under Part I is infringed where a requirement, qualification or consideration is imposed that is not discrimination on a prohibited ground but that would result in the exclusion, qualification or preference of a group of persons who are identified by a prohibited ground of discrimination and of whom the person is a member, except where,

- (a) the requirement, qualification or consideration is a reasonable and *bona fide* one in the circumstances; or
- (b) it is declared in this Act that to discriminate because of such ground is not an infringement of a right.

Discrimin-
ation
because of
association

11. A right under Part I is infringed where the discrimination is because of relationship, association or dealings with a person or persons identified by a prohibited ground of discrimination.

12.—(1) A right under Part I is infringed by a person who publishes or displays before the public or causes the publication or display before the public of any notice, sign, symbol, emblem, or other similar representation that indicates the intention of the person to infringe a right under Part I or that is intended by the person to incite the infringement of a right under Part I. Announced intention to discriminate

(2) Subsection (1) shall not interfere with freedom of expression of opinion. Opinion

13.—(1) A right under Part I is not infringed by the implementation of a special program designed to relieve hardship or economic disadvantage or to assist disadvantaged persons or groups to achieve or attempt to achieve equal opportunity or that is likely to contribute to the elimination of the infringement of rights under Part I. Special programs

(2) The Commission may, Review by Commission

(a) upon its own initiative;

(b) upon application by a person seeking to implement a special program under the protection of subsection (1); or

(c) upon a complaint in respect of which the protection of subsection (1) is claimed,

inquire into the special program and, in the discretion of the Commission, may by order declare,

(d) that the special program, as defined in the order, does not satisfy the requirements of subsection (1); or

(e) that the special program as defined in the order, with such modifications, if any, as the Commission considers advisable, satisfies the requirements of subsection (1).

(3) A person aggrieved by the making of an order under subsection (2) may request the Commission to reconsider its order and section 36, with necessary modifications, applies. Reconsideration

(4) Subsection (1) does not apply to a special program where an order is made under clause (2) (d) or where an order is made under clause (2) (e) with modifications of the special program that are not implemented. Effect of order

(5) Subsection (2) does not apply to a special program implemented by the Crown or an agency of the Crown. Subs. (2) does not apply to Crown

Age
sixty-five
or over

14. A right under Part I to non-discrimination because of age is not infringed where an age of sixty-five years or over is a requirement, qualification or consideration for preferential treatment.

Canadian
Citizen-
ship

15.—(1) A right under Part I to non-discrimination because of citizenship is not infringed where Canadian citizenship is a requirement, qualification or consideration imposed or authorized by law.

Idem

(2) A right under Part I to non-discrimination because of citizenship is not infringed where Canadian citizenship or lawful admission to Canada for permanent residence is a requirement, qualification or consideration adopted for the purpose of fostering and developing participation in cultural, educational, trade union or athletic activities by Canadian citizens or persons lawfully admitted to Canada for permanent residence.

Idem

(3) A right under Part I to non-discrimination because of citizenship is not infringed where Canadian citizenship or domicile in Canada with the intention to obtain Canadian citizenship is a requirement, qualification or consideration adopted by an organization or enterprise for the holder of chief or senior executive positions.

Handicap

16.—(1) A right of a person under this Act is not infringed for the reason only,

(a) that the person does not have access to premises, services, goods, facilities or accommodation because of handicap, or that the premises, services, goods, facilities or accommodation lack the amenities that are appropriate for the person because of handicap; or

(b) that the person is incapable of performing or fulfilling the essential duties or requirements attending the exercise of the right because of handicap.

Powers of
Commission

(2) Where, after the investigation of a complaint, the Commission determines that the evidence does not warrant the appointment of a board of inquiry because of the application of subsection (1), the Commission may nevertheless use its best endeavours to effect a settlement as to the provision of access or amenities or as to the duties or requirements.

Special
interest
organi-
zations

17. The rights under Part I to equal treatment with respect to services and facilities, with or without accommodation, is not infringed where membership or participation in a religious, philanthropic, educational, fraternal or social institution or organization that is primarily engaged in serving the interests of persons identified by a prohibited ground of discrimination is restricted to persons who are similarly identified.

18.—(1) This Act shall not be construed to adversely affect any right or privilege respecting separate schools enjoyed by separate school boards or their supporters under *The British North America Act, 1867* and the *Education Act*.

Separate school rights preserved 1867, c. 3
R.S.O. 1980, c. 129

(2) This Act does not apply to affect the application of the *Education Act* with respect to the duties of teachers.

Duties of teachers

19.—(1) The right under section 1 to equal treatment with respect to services and facilities without discrimination because of sex is not infringed where the use of the services or facilities is restricted to persons of the same sex on the ground of public decency.

Restriction of facilities by sex

(2) The right under section 1 to equal treatment with respect to services and facilities is not infringed where membership in an athletic organization or participation in an athletic activity is restricted to persons of the same sex.

Athletic activities

(3) The right under section 1 to equal treatment with respect to services and facilities is not infringed where a recreational club restricts or qualifies access to its services or facilities or gives preferences with respect to membership dues and other fees because of age, sex, marital status or family status.

Recreational clubs

20.—(1) The right under section 2 to equal treatment with respect to the occupancy of residential accommodation without discrimination is not infringed by discrimination where the residential accommodation is in a dwelling in which the owner or his or her family reside if the occupant or occupants of the residential accommodation are required to share a bathroom or kitchen facility with the owner or family of the owner.

Shared accommodation

(2) The right under section 2 to equal treatment with respect to the occupancy of residential accommodation without discrimination because of sex is not infringed by discrimination on that ground where the occupancy of all the residential accommodation in the building, other than the accommodation, if any, of the owner or family of the owner, is restricted to persons who are of the same sex.

Restrictions on accommodation, sex

(3) The right under section 2 to equal treatment with respect to the occupancy of residential accommodation without discrimination because of marital status is not infringed by discrimination on that ground where the occupancy is in a building that contains not more than four dwelling units, one of which is occupied by the owner or family of the owner.

Idem: marital status

(4) The right under section 2 to equal treatment with respect to the occupancy of residential accommodation without discrimination because of family status is not infringed by discrimination on that ground where the residential accommodation is in

Idem: family status

a building, or designated part of the building, that contains more than one dwelling unit served by a common entrance and the occupancy of all the residential accommodation in the building or in the designated part of the building is restricted because of family status.

Restrictions
for insurance
contracts, etc.

21. The right under sections 1 and 3 to equal treatment with respect to services and to contract on equal terms, without discrimination because of age, sex, marital status, family status or handicap, is not infringed where a contract of automobile, life, accident or sickness or disability insurance or a contract of group insurance between an insurer and an association or person other than an employer, or a life annuity, differentiates or makes a distinction, exclusion or preference on reasonable and *bona fide* grounds because of age, sex, marital status, family status or handicap.

Discriminatory
employment
advertising

22.—(1) The right under section 4 to equal treatment with respect to employment is infringed where an invitation to apply for employment or an advertisement in connection with employment is published or displayed that directly or indirectly classifies or indicates qualifications by a prohibited ground of discrimination.

Application
for
employment

(2) The right under section 4 to equal treatment with respect to employment is infringed where a form of application for employment is used or a written or oral inquiry is made of an applicant that directly or indirectly classifies or indicates qualifications by a prohibited ground of discrimination.

Questions at
interview

(3) Nothing in subsection (2) precludes the asking of questions at a personal employment interview concerning a prohibited ground of discrimination where discrimination on such ground is permitted under this Act.

Employment
agencies

(4) The right under section 4 to equal treatment with respect to employment is infringed where an employment agency discriminates against a person because of a prohibited ground of discrimination in receiving, classifying, disposing of or otherwise acting upon applications for its services or in referring an applicant or applicants to an employer or agent of an employer.

Special
employment

23. The right under section 4 to equal treatment with respect to employment is not infringed where,

- (a) a religious, philanthropic, educational, fraternal or social institution or organization that is primarily engaged in serving the interests of persons identified by their race, ancestry, place of origin, colour, ethnic origin, creed, sex, age, marital status or handicap employs only, or gives preference in employment to, persons similarly identified if the qualification is a

reasonable and *bona fide* qualification because of the nature of the employment;

- (b) the discrimination in employment is for reasons of age, sex, record of offences or marital status if the age, sex, record of offences or marital status of the applicant is a reasonable and *bona fide* qualification because of the nature of the employment;
- (c) an individual person refuses to employ another for reasons of any prohibited ground of discrimination in section 4, where the primary duty of the employment is attending to the medical or personal needs of the person or of an ill child or an aged, infirm or ill spouse or other relative of the person; or
- (d) an employer grants or withholds employment or advancement in employment to a person who is the spouse, child or parent of the employer or an employee.

24.—(1) The right under section 4 to equal treatment with respect to employment is infringed where employment is denied or made conditional because a term or condition of employment requires enrolment in an employee benefit, pension or superannuation plan or fund or a contract of group insurance between an insurer and an employer, that makes a distinction, preference or exclusion on a prohibited ground of discrimination. Employment conditional on membership in pension plan

(2) The right under section 4 to equal treatment with respect to employment without discrimination because of age, sex, marital status or family status is not infringed by an employee superannuation or pension plan or fund or a contract of group insurance between an insurer and an employer that complies with the *Employment Standards Act* and the regulations thereunder. Pension or disability plan under R.S.O. 1980, c. 137

(3) The right under section 4 to equal treatment with respect to employment without discrimination because of handicap is not infringed, Employee disability and pension plans; handicap

- (a) where a reasonable and *bona fide* distinction, exclusion or preference is made in an employee disability or life insurance plan or benefit because of a pre-existing handicap that substantially increases the risk;
- (b) where a reasonable and *bona fide* distinction, exclusion or preference is made on the ground of a pre-existing handicap in respect of an employee-pay-all or participant-pay-all benefit in an employee benefit, pension or superannuation plan or fund or a contract of group insurance between an insurer and an employer or in respect of a plan, fund or policy that is offered by an

employer to his employees if they are fewer than twenty-five in number.

Compensation (4) An employer shall pay to an employee who is excluded because of a handicap from an employee benefit, pension or superannuation plan or fund or a contract of group insurance between an insurer and the employer compensation equivalent to the contribution that the employer would make thereto on behalf of an employee who does not have a handicap.

Discrimination in employment under government contracts **25.**—(1) It shall be deemed to be a condition of every contract entered into by or on behalf of the Crown or any agency thereof and of every subcontract entered into in the performance thereof that no right under section 4 will be infringed in the course of performing the contract.

Idem: government grants and loans (2) It shall be deemed to be a condition of every grant, contribution, loan or guarantee made by or on behalf of the Crown or any agency thereof that no right under section 4 will be infringed in the course of carrying out the purposes for which the grant, contribution, loan or guarantee was made.

Sanction (3) Where an infringement of a right under section 4 is found by a board of inquiry upon a complaint and constitutes a breach of a condition under this section, the breach of condition is sufficient grounds for cancellation of the contract, grant, contribution, loan or guarantee and refusal to enter into any further contract with or make any further grant, contribution, loan or guarantee to the same person.

PART III

THE ONTARIO HUMAN RIGHTS COMMISSION

Commission continued **26.**—(1) The Ontario Human Rights Commission is continued and shall be composed of such persons, being not fewer than seven, as are appointed by the Lieutenant Governor in Council.

Responsible to Minister (2) The Commission is responsible to the Minister for the administration of this Act.

Chairman (3) The Lieutenant Governor in Council shall designate a member of the Commission as chairman, and a member as vice-chairman.

Remuneration (4) The Lieutenant Governor in Council may fix the remuneration and allowance for expenses of the chairman, vice-chairman and members of the Commission.

Staff
R.S.O. 1980,
c. 418 (5) The employees of the Commission shall be appointed under the *Public Service Act*.

(6) The Commission may authorize any function of the Com- ^{Divisions} mission to be performed by a division of the Commission composed of at least three members of the Commission.

27.—(1) The Lieutenant Governor in Council shall designate ^{Race relations division} at least three members of the Commission to constitute a race relations division of the Commission and shall designate one member of the race relations division as Commissioner for Race Relations.

(2) It is the function of the race relations division of the Com- ^{Functions} mission to perform any of the functions of the Commission under clause 28 (f), (g) or (h) relating to race, ancestry, place of origin, colour, ethnic origin or creed that are referred to it by the Commission and any other function referred to it by the Commission.

28. It is the function of the Commission, ^{Function of Commission}

- (a) to forward the policy that the dignity and worth of every person be recognized and that equal rights and opportunities be provided without discrimination that is contrary to law;
- (b) to promote an understanding and acceptance of and compliance with this Act;
- (c) to recommend for consideration a special plan or program designed to meet the requirements of subsection 13 (1), subject to the right of a person aggrieved by the implementation of the plan or program to request the Commission to reconsider its recommendation and section 36 applies with necessary modifications;
- (d) to develop and conduct programs of public information and education and undertake, direct and encourage research designed to eliminate discriminatory practices that infringe rights under this Act;
- (e) to examine and review any statute or regulation, and any program or policy made by or under a statute and make recommendations on any provision, program or policy, that in its opinion is inconsistent with the intent of this Act;
- (f) to inquire into incidents of and conditions leading or tending to lead to tension or conflict based upon identification by a prohibited ground of discrimination and take appropriate action to eliminate the source of tension or conflict;

- (g) to initiate investigations into problems based upon identification by a prohibited ground of discrimination that may arise in a community, and encourage and co-ordinate plans, programs and activities to reduce or prevent such problems;
- (h) to promote, assist and encourage public, municipal or private agencies, organizations, groups or persons to engage in programs to alleviate tensions and conflicts based upon identification by a prohibited ground of discrimination;
- (i) to enforce this Act and orders of boards of inquiry; and
- (j) to perform the functions assigned to it by this or any other Act.

Evidence
obtained
in course of
investigation

29.—(1) No person who is a member of the Commission shall be required to give testimony in a civil suit or any proceeding as to information obtained in the course of an investigation under this Act.

Idem

(2) No person who is employed in the administration of this Act shall be required to give testimony in a civil suit or any proceeding other than a proceeding under this Act as to information obtained in the course of an investigation under this Act.

Annual
report

30.—(1) The Commission shall make a report to the Minister not later than the 30th day of June in each year upon the affairs of the Commission during the year ending on the 31st day of March of that year.

Idem

(2) The Minister shall submit the report to the Lieutenant Governor in Council who shall cause the report to be laid before the Assembly if it is in session, or, if not, at the next ensuing session.

PART IV

ENFORCEMENT

Complaints

31.—(1) Where a person believes that a right of his under this Act has been infringed, the person may file with the Commission a complaint in a form approved by the Commission.

Idem

(2) The Commission may initiate a complaint by itself or at the request of any person.

(3) Where two or more complaints,

Combining
of complaints

- (a) bring into question a practice of infringement engaged in by the same person; or
- (b) have questions of law or fact in common,

the Commission may combine the complaints and deal with them in the same proceeding.

32.—(1) Subject to section 33, the Commission shall investigate a complaint and endeavour to effect a settlement. Investigation of complaints

(2) An investigation by the Commission may be made by a member or employee of the Commission who is authorized by the Commission for the purpose. Investigation

(3) A person authorized to investigate a complaint may, Powers on investigation

- (a) enter any place, other than a place that is being used as a dwelling, at any reasonable time, for the purpose of investigating the complaint;
- (b) request the production for inspection and examination of documents or things that are or may be relevant to the investigation;
- (c) upon giving a receipt therefor, remove from a place documents produced in response to a request under clause (b) for the purpose of making copies thereof or extracts therefrom and shall promptly return them to the person who produced or furnished them; and
- (d) question a person on matters that are or may be relevant to the complaint subject to the person's right to have counsel or a personal representative present during such questioning, and may exclude from the questioning any person who may be adverse in interest to the complainant.

(4) A person investigating a complaint shall not enter a place that is being used as a dwelling without the consent of the occupier except under the authority of a warrant issued under subsection (8). Entry into dwellings

(5) Subject to subsection (4), if a person who is or may be a party to a complaint denies entry to any place, or instructs the person investigating to leave the place, or impedes or prevents an investigation therein, the Commission may request the Minister to appoint a board of inquiry or may authorize an employee or member to apply to a justice of the peace for a warrant to enter under subsection (8). Denial of entry

Refusal to produce	(6) If a person refuses to comply with a request for production of documents or things, the Commission may request the Minister to appoint a board of inquiry, or may authorize an employee or member to apply to a justice of the peace for a search warrant under subsection (7).
Warrant for search	(7) Where a justice of the peace is satisfied on evidence upon oath that there are in a place documents that there is reasonable ground to believe will afford evidence relevant to the complaint, he may issue a warrant in the prescribed form authorizing a person named in the warrant to search a place for any such documents, and to remove them for the purposes of making copies thereof or extracts therefrom, and the documents shall be returned promptly to the place from which they were removed.
Warrant for entry	(8) Where a justice of the peace is satisfied by evidence upon oath that there is reasonable ground to believe it is necessary that a place being used as a dwelling or to which entry has been denied be entered to investigate a complaint, he may issue a warrant in the prescribed form authorizing such entry by a person named in the warrant.
Execution of warrant	(9) A warrant issued under subsection (7) or (8) shall be executed at reasonable times as specified in the warrant.
Expiration of warrant	(10) Every warrant shall name a date on which it expires, which shall be a date not later than fifteen days after it is issued.
Obstruction	(11) No person shall hinder, obstruct or interfere with a person in the execution of a warrant or otherwise impede an investigation under this Act.
Idem	(12) Subsection (11) is not contravened by a refusal to comply with a request for the production of documents or things made under clause (3) (b).
Admissibility of copies	(13) Copies of, or extracts from, documents removed from premises under clause (3) (c) or subsection (7) certified as being true copies of the originals by the person who made them, are admissible in evidence to the same extent as, and have the same evidentiary value as, the documents of which they are copies or extracts.
Decision to not deal with complaint	<p>33.—(1) Where it appears to the Commission that,</p> <p>(a) the complaint is one that could or should be more appropriately dealt with under an Act other than this Act;</p>

- (b) the subject-matter of the complaint is trivial, frivolous, vexatious or made in bad faith;
- (c) the complaint is not within the jurisdiction of the Commission; or
- (d) the facts upon which the complaint is based occurred more than six months before the complaint was filed, unless the Commission is satisfied that the delay was incurred in good faith and no substantial prejudice will result to any person affected by the delay,

the Commission may, in its discretion, decide to not deal with the complaint.

(2) Where the Commission decides to not deal with a complaint, it shall advise the complainant in writing of the decision and the reasons therefor and of the procedure under section 36 for having the decision reconsidered.

Notice of
decision
and
reasons

34.—(1) The Minister shall appoint a panel of persons to act as members of boards of inquiry.

Panel of
members
for boards
of inquiry

(2) The members of boards of inquiry shall be paid such allowances and expenses as are fixed by the Lieutenant Governor in Council.

Remuneration

35.—(1) Where the Commission fails to effect a settlement of the complaint and it appears to the Commission that the procedure is appropriate and the evidence warrants an inquiry, the Commission may request the Minister to appoint a board of inquiry and refer the subject-matter of the complaint to the board.

Referred
to board
of inquiry

(2) Where the Commission decides to not request the Minister to appoint a board of inquiry, it shall advise the complainant and the person complained against in writing of the decision and the reasons therefor and inform the complainant of the procedure under section 36 for having the decision reconsidered.

Notice of
decision
not to
appoint
inquiry

36.—(1) Within a period of fifteen days of the date of mailing the decision and reasons therefor mentioned in subsection 33 (2) or subsection 35 (2), or such longer period as the Commission may for special reasons allow, a complainant may request the Commission to reconsider its decision by filing an application for reconsideration containing a concise statement of the material facts upon which the application is based.

Reconsideration

(2) Upon receipt of an application for reconsideration the Commission shall as soon as is practicable notify the person

Notice of
application

complained against of the application and afford the person an opportunity to make written submissions with respect thereto within such time as the Commission specifies.

Decision

(3) Every decision of the Commission on reconsideration together with the reasons therefor shall be recorded in writing and promptly communicated to the complainant and the person complained against and the decision shall be final.

Appointment
of board

37.—(1) Where the Commission requests the Minister to appoint a board of inquiry, the Minister shall appoint from the panel one or more persons to form the board of inquiry and the Minister shall communicate the names of the persons forming the board to the parties to the inquiry.

Members at
hearing not
to have
taken part
in investi-
gation, etc.

(2) A member of the board hearing a complaint must not have taken part in any investigation or consideration of the subject-matter of the inquiry before the hearing and shall not communicate directly or indirectly in relation to the subject-matter of the inquiry with any person or with any party or his representative except upon notice to and opportunity for all parties to participate, but the board may seek legal advice from an adviser independent of the parties and in such case the nature of the advice shall be made known to the parties in order that they may make submissions as to the law.

Hearing

38.—(1) The board of inquiry shall hold a hearing,

- (a) to determine whether a right of the complainant under this Act has been infringed;
- (b) to determine who infringed the right, and
- (c) to decide upon an appropriate order under section 40,

and the hearing shall be commenced within thirty days after the date on which the members were appointed.

Parties

- (2) The parties to a proceeding before a board of inquiry are,
 - (a) the Commission, which shall have the carriage of the complaint;
 - (b) the complainant;
 - (c) any person who the Commission alleges has infringed the right;
 - (d) any person appearing to the board of inquiry to have infringed the right;

- (e) where the complaint is of alleged conduct constituting harassment under subsection 2 (2) or subsection 4 (2) or of alleged conduct under section 6, any person who, in the opinion of the board, knew or was in possession of facts from which he or she ought reasonably to have known of the conduct and who had authority to penalize or prevent the conduct.

(3) A party may be added by the board of inquiry under clause (2) (d) or clause (2) (e) at any stage of the proceeding upon such terms as the board considers proper. ^{Adding parties}

(4) Where a board exercises its power under clause 12 (1) (b) of the *Statutory Powers Procedure Act* to issue a summons requiring the production in evidence of documents or things, it may, upon the production of the documents or things before it, adjourn the proceedings to permit the parties to examine the documents or things. ^{Adjournment on production R.S.O. 1980, c. 484}

(5) The board may, where it appears to be in the interests of justice, direct that the board and the parties and their counsel or representatives shall have a view of any place or thing, and may adjourn the proceedings for that purpose. ^{Adjournment for view}

39. The oral evidence taken before a board at a hearing shall be recorded, and copies of a transcript thereof shall be furnished upon request upon the same terms as in the Supreme Court. ^{Recording of evidence}

40.—(1) Where the board of inquiry, after a hearing, finds that a right of the complainant under Part I has been infringed and that the infringement is a contravention of section 8 by a party to the proceeding, the board may, by order, ^{Orders of boards of inquiry}

- (a) direct the party to do anything that, in the opinion of the board, the party ought to do to achieve compliance with this Act, both in respect of the complaint and in respect of future practices; and
- (b) direct the party to make restitution, including monetary compensation, for loss arising out of the infringement, and, where the infringement has been engaged in wilfully or recklessly, monetary compensation may include an award, not exceeding \$10,000, for mental anguish.

(2) Where the board of inquiry at the conclusion of the hearing finds that a right of a person under Part 1 has been infringed by discrimination because of handicap, the board may then proceed to inquire whether, ^{Idem}

- (a) the person does not have access to premises, services, goods, facilities or accommodation of the party who is found to be a contravener, because of handicap; or
- (b) the premises, services, goods, facilities or accommodation of the party who is found to be a contravener lack amenities that are appropriate to persons because of the handicap,

and after making a finding thereon, the board may, unless the costs occasioned thereby would cause undue hardship and subject to the regulations, order that the party take such measures as will make such provision for access or amenities or as are set out in the order.

Idem

(3) In addition to the powers conferred by subsection (2), where the board of inquiry at the conclusion of the hearing under subsection (1) finds that a right of a person under Part I has been infringed by discrimination because of handicap, the board may then proceed to inquire and make a finding as to whether the equipment or essential duties attending the exercise of the right could be adapted to meet the needs of the person whose right is infringed and, after making a finding thereon, the board may, unless the costs occasioned thereby would cause undue hardship and subject to the regulations, order that the party take such measures to adapt the equipment or duties as will meet such needs and as are set out in the order.

Order to
prevent
harassment

(4) Where a board makes a finding under subsection (1) that a right is infringed on the ground of harassment under subsection 2 (2) or subsection 4 (2) or conduct under section 6, and the board finds that a person who is a party to the proceeding,

- (a) knew or was in possession of knowledge from which he ought to have known of the infringement; and
- (b) had the authority by reasonably available means to penalize or prevent the conduct and failed to use it,

the board shall remain seized of the matter and upon complaint of a continuation or repetition of the infringement of the right the Commission may investigate the complaint and, subject to subsection 35 (2), request the board to re-convene and if the board finds that a person who is a party to the proceeding,

- (c) knew or was in possession of knowledge from which he or she ought to have known of the repetition of infringement; and
- (d) had the authority by reasonably available means to penalize or prevent the continuation or repetition of the conduct and failed to use it,

the board may make an order requiring the person to take whatever sanctions or steps are reasonably available to prevent any further continuation or repetition of the infringement of the right.

(5) Where a board of inquiry for any reason is unable to exercise its powers under this section or section 38, the Commission may request the Minister to appoint a new board of inquiry in its place. Re-appointment of board

(6) Where, upon dismissing a complaint, the board of inquiry finds that, Costs

(a) the complaint was trivial, frivolous, vexatious or made in bad faith; or

(b) in the particular circumstances undue hardship was caused to the person complained against,

the board of inquiry may order the Commission to pay to the person complained against such costs as are fixed by the board.

(7) The board of inquiry shall make its finding and decision within thirty days after the conclusion of its hearing. Decision within 30 days

41.—(1) Any party to a proceeding before a board of inquiry may appeal from a decision or order of the board to the Divisional Court in accordance with the rules of court. Appeal from decision of board of inquiry

(2) Where notice of an appeal is served under this section, the board of inquiry shall forthwith file in the Divisional Court the record of the proceedings before it in which the decision or order appealed from was made and the record, together with a transcript of the oral evidence taken before the board if it is not part of the record of the board, shall constitute the record in the appeal. Record to be filed in court

(3) An appeal under this section may be made on questions of law or fact or both and the court may affirm or reverse the decision or order of the board of inquiry or direct the board to make any decision or order that the board is authorized to make under this Act and the court may substitute its opinion for that of the board. Powers of court

42. Where a settlement of a complaint is agreed to in writing, signed by the parties and approved by the Commission, the settlement is binding upon the parties, and a breach of the settlement is grounds for a complaint under section 31, and this Part applies to the complaint in the same manner as if the breach of the settlement were an infringement of a right under this Act. Settlements

Penalty

43.—(1) Every person who contravenes section 8, subsection 32 (11), or an order of a board of inquiry, is guilty of an offence and on conviction is liable to a fine of not more than \$25,000.

Consent to prosecution

(2) No prosecution for an offence under this Act shall be instituted except with the consent in writing of the Attorney General.

Acts of officers, etc.

44.—(1) For the purposes of this Act, except subsection 2 (2), subsection 4 (2), section 6 and subsection 43 (1), any act or thing done or omitted to be done in the course of his or her employment by an officer, official, employee or agent of a corporation, trade union, trade or occupational association, unincorporated association or employers' organization shall be deemed to be an act or thing done or omitted to be done by the corporation, trade union, trade or occupational association, unincorporated association or employers' organization.

Opinion re authority or acquiescence

(2) At the request of a corporation, trade union, trade or occupational association, unincorporated association or employers' organization, a board of inquiry in its decision shall make known whether or not, in its opinion, an act or thing done or omitted to be done by an officer, official, employee or agent was done or omitted to be done with or without the authority or acquiescence of the corporation, trade union, trade or occupational association, unincorporated association or employers' organization, and the opinion does not affect the application of subsection (1).

PART V

GENERAL

Interpretation

45. In this Act,

- (a) "Commission" means the Ontario Human Rights Commission;
- (b) "Minister" means the member of the Executive Council to whom the powers and duties of the Minister under this Act are assigned by the Lieutenant Governor in Council;
- (c) "person", in addition to the extended meaning given it by the *Interpretation Act*, includes an employment agency, an employers' organization, an unincorporated association, a trade or occupational association, a trade union, a partnership, a municipality and a board of police commissioners established under the *Police Act*.

46.—(1) This Act binds the Crown and every agency of the Crown. Act binds Crown

(2) Where a provision in an Act or regulation purports to require or authorize conduct that is a contravention of Part I, this Act applies and prevails unless the Act or regulation specifically provides that it is to apply notwithstanding this Act. Act has primacy over other Acts

(3) Subsection (2) does not apply to an Act or regulation heretofore enacted or made until two years after this Act comes into force. Application

47. The Lieutenant Governor in Council may make regulations, Regulations

(a) prescribing criteria or guidelines for boards of inquiry in the making of findings under subsections 40 (2) and (3);

(b) prescribing forms and notices and providing for their use.

48. The *Ontario Human Rights Code*, being chapter 340 of the Revised Statutes of Ontario, 1980, is repealed. Repeal

49. This Act comes into force on a day to be named by proclamation of the Lieutenant Governor. Commencement

50. The short title of this Act is the *Human Rights Code*, 1981. Short title

BILL 7

An Act to revise and extend Protection
of Human Rights in Ontario

1st Reading

April 24th, 1981

2nd Reading

May 25th, 1981

3rd Reading

THE HON. R. G. ELGIE
Minister of Labour

*(Reprinted as amended by the
Committee of the Whole House)*

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend The Labour Relations Act

MR. MACKENZIE



EXPLANATORY NOTE

The purpose of this Bill is to prevent the hiring of strikebreakers and to control access to a work premises that is affected by a strike or lock-out. The Bill prohibits an employer from hiring or using the services of a person to do the work of an employee who is on strike or locked out unless that person is specifically authorized to do so. Similarly, when a picket line is established at a place of access to a work premises, access is limited to persons specifically authorized by the Bill.

An Act to amend The Labour Relations Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. *The Labour Relations Act*, being chapter 232 of the Revised Statutes of Ontario, 1970, is amended by adding thereto the following section: s. 59a,
enacted

59a.—(1) In this section,

Interpre-
tation

- (a) “employer” includes an employers’ organization and a person acting on behalf of an employer or an employers’ organization;
- (b) “legal picket line” means a moving formation of two or more persons who are members of a certified bargaining unit and who by means of signs or posters give notice that the certified bargaining unit is on strike or locked out.

(2) No employer shall employ or use the services of any person to perform the work of an employee who is exercising a legal right to strike or who is locked out unless, Unlawful
employment

- (a) the person ordinarily exercises managerial or supervisory functions and was a full-time employee of the employer on the day the strike or lock-out commenced; or
- (b) the person is authorized to perform the work by agreement between the employer and representatives of the certified bargaining unit that is on strike or locked out.

(3) Where a legal picket line is formed in support of a lawful strike or lock-out at a place of access to a work premises, no person shall enter the premises unless, Unlawful
entry

- (a) the person ordinarily exercises managerial and supervisory functions;
- (b) the person is a member of a certified bargaining unit that is not on strike or locked out and is not engaged in performing the work of an employee who is on strike or locked out;
- (c) the person is a non-union employee who was a full-time employee of the employer on the day the strike or lock-out was commenced and is not engaged in performing the work of an employee who is on strike or locked out;
- (d) the person requires access to the work premises for the purpose of providing emergency services;
- (e) the person is authorized to enter the work premises by agreement between the employer and representatives of the bargaining unit that is on strike or locked out.

Duty of
police
officer

(4) Where a picket line is formed in support of a lawful strike or lock-out at a place of access to a work premises, it is the duty of every police officer stationed at that place to ensure that no person other than a person authorized under subsection 3 enters the work premises.

Commence-
ment

2. This Act comes into force on the day it receives Royal Assent.

Short title

3. The short title of this Act is *The Labour Relations Amendment Act, 1981*.

An Act to amend
The Labour Relations Act

1st Reading

April 27th, 1981

2nd Reading

3rd Reading

MR. MACKENZIE

(Private Member's Bill)

56
BILL 9

Private Member's Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend The Labour Relations Act

MR. MACKENZIE



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

An Act to amend
The Labour Relations Act

1st Reading

April 27th, 1981

2nd Reading

3rd Reading

MR. MACKENZIE

(Private Member's Bill)

2nd
30

BILL 9

Publication

Private Member's Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend The Labour Relations Act

MR. MACKENZIE



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTE

The purpose of the Bill is to provide the Ontario Labour Relations Board with authority to settle the terms and conditions of a first collective agreement between a trade union and an employer where the dispute settlement procedures in the Act have not been effective. Each collective agreement settled by the Board shall be for a term of between one and two years in duration.

An Act to amend The Labour Relations Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. *The Labour Relations Act*, being chapter 232 of the Revised Statutes of Ontario, 1970, is amended by adding thereto the following section:

34*f*.—(1) Where the parties have engaged in bargaining with a view to concluding their first collective agreement and either party is of the opinion that the dispute settlement procedures of the Act have not been effective and are not likely to be effective in enabling the parties to conclude an agreement, the party may apply to the Board to settle the terms and conditions of the first collective agreement and, if the Board considers it advisable, the Board may settle the terms and conditions of the first collective agreement.

(2) The terms and conditions of a first collective agreement as determined by the Board shall be deemed to constitute the collective agreement between the parties and are binding upon them except to the extent that the parties agree in writing to vary any or all of those terms and conditions.

(3) The collective agreement settled by the Board under this section shall be for a term of from one to two years duration from the date the Board settles the terms and conditions of the collective agreement.

2. Subsection 1 of section 53 of the said Act is repealed and the following substituted therefor:

(1) Subject to subsection 3, where a trade union has not made a collective agreement within one year after its certification and the Minister has appointed a conciliation officer or a mediator under this Act or a party to collective

s. 34*e*,
enacted

First
collective
agreement

Terms and
conditions
binding

Duration of
agreement

s. 53 (1),
re-enacted

Application
for certi-
fication or
termination
after
conciliation

bargaining has requested the Board to settle the terms and conditions of a first collective agreement, no application for certification of a bargaining agent of, or for a declaration that a trade union no longer represents, the employees in the bargaining unit determined in the certificate shall be made until,

- (a) thirty days have elapsed after the Minister has released to the parties the report of a conciliation board or mediator; or
- (b) thirty days have elapsed after the Minister has released to the parties a notice that he does not consider it advisable to appoint a conciliation board; or
- (c) six months have elapsed after the Minister has released to the parties a notice of a report of the conciliation officer that the differences between the parties concerning the terms of a collective agreement have been settled; or
- (d) six months have elapsed after the Board has notified the parties of a refusal to settle the terms and conditions of a first collective agreement,

as the case may be.

Commence-
ment

3. This Act comes into force on the day it receives Royal Assent.

Short title

4. The short title of this Act is *The Labour Relations Amendment Act, 1981*.



BILL 9

An Act to amend
The Labour Relations Act

1st Reading

April 27th, 1981

2nd Reading

3rd Reading

MR. MACKENZIE

(Private Member's Bill)

BILL 10

Private Member's Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend The Labour Relations Act

MR. MACKENZIE



EXPLANATORY NOTE

The purpose of the Bill is to clarify the status of an employer before the Ontario Labour Relations Board on an application for certification by a trade union. The employer is permitted to present evidence and make submissions concerning several matters listed in the Bill. The employer is not permitted to present evidence or make submissions related to any other matter.

BILL 10

1981

An Act to amend The Labour Relations Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. *The Labour Relations Act*, being chapter 232 of the Revised Statutes of Ontario, 1970, is amended by adding thereto the following section: ^{s. 9a, enacted}

9a. Upon an application for certification, an employer or employers' organization may present evidence and make submissions to the Board with respect to, ^{Employers' evidence in certification proceeding}

- (a) the jurisdiction of the Board;
- (b) the appropriateness of the bargaining unit;
- (c) the status of employees of the employer, including whether or not a person is an employee, a dependant contractor or a security guard; and
- (d) the conduct of the employer, where another party made an allegation concerning the conduct of the employer,

but the Board shall not receive evidence or hear submissions from the employer or employers' organization with respect to any other matter.

2. Subsection 12 of section 91 of the said Act is amended by inserting after "but" in the second line "subject to section 9a". ^{s. 91 (12), amended}
3. This Act comes into force on the day it receives Royal Assent. ^{Commence-ment}
4. The short title of this Act is *The Labour Relations Amendment Act, 1981*. ^{Short title}

An Act to amend
The Labour Relations Act

1st Reading

April 27th, 1981

2nd Reading

3rd Reading

MR. MACKENZIE

(Private Member's Bill)

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend The Labour Relations Act

MR. MACKENZIE

EXPLANATORY NOTE

The purpose of the Bill is to clarify the status of an employer before the Ontario Labour Relations Board on an application for certification by a trade union. The employer is permitted to present evidence and make submissions concerning several matters listed in the Bill. The employer is not permitted to present evidence or make submissions related to any other matter.

BILL 10

1981

An Act to amend The Labour Relations Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. *The Labour Relations Act*, being chapter 232 of the Revised Statutes of Ontario, 1970, is amended by adding thereto the following section: ^{s. 9a, enacted}

9a. Upon an application for certification, an employer or employers' organization may present evidence and make submissions to the Board with respect to, ^{Employers' evidence in certification proceeding}

- (a) the jurisdiction of the Board;
- (b) the appropriateness of the bargaining unit;
- (c) the status of employees of the employer, including whether or not a person is an employee, a dependant contractor or a security guard; and
- (d) the conduct of the employer, where another party made an allegation concerning the conduct of the employer,

but the Board shall not receive evidence or hear submissions from the employer or employers' organization with respect to any other matter.

2. Subsection 12 of section 91 of the said Act is amended by inserting after "but" in the second line "subject to section 9a", ^{s. 91 (12), amended}
3. This Act comes into force on the day it receives Royal Assent. ^{Commence-ment}
4. The short title of this Act is *The Labour Relations Amendment Act, 1981*. ^{Short title}

BILL 10

An Act to amend
The Labour Relations Act

1st Reading

April 27th, 1981

2nd Reading

3rd Reading

MR. MACKENZIE

(Private Member's Bill)

BILL 11

Private Member's Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend The Labour Relations Act

MR. MACKENZIE



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTE

The purpose of the Bill is to preserve the collective bargaining rights of employees of a business that is relocated. In addition to continuing pre-relocation bargaining rights and collective agreements in force after the relocation, the proposed amendment provides for a sixty day period from the date of the notice of relocation during which an employee can choose to continue his employment at the new location. Once the relocation has taken place, the Ontario Labour Relations Board has authority to determine whether a bargaining unit exists.

An Act to amend The Labour Relations Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsection 1 of section 55 of *The Labour Relations Act*, being chapter 232 of the Revised Statutes of Ontario, 1970, is amended by inserting after "section" in the first line "and section 55a". s. 55 (1),
amended
2. The said Act is amended by adding thereto the following section: s. 55a,
enacted

55a.—(1) Where an employer relocates his business, the employer is bound by determinations, agreements and proceedings made under this Act in respect of the business before the date of the relocation until the Board otherwise declares, and the determinations, agreements and proceedings shall continue in effect as if no change had occurred except that the description of the bargaining unit contained in the certificate or collective agreement is deemed to be amended to include the new location. Relocation
rights

(2) An employer shall provide reasonable notice to his employees of any decision to relocate his business and the employer shall permit an employee affected thereby sixty days from the date of the notice of relocation to accept employment at the new location. Continuation
of
employment

(3) Notwithstanding subsection 2, an employer is not required to continue the employment of an employee if the employer no longer requires work to be performed in the new location of the same nature as work performed by the employee in the former location and the employer no longer requires the skills possessed by the employee for any work performed at the new location. Exception

(4) Where a business has been relocated and a trade union or council of trade unions was the bargaining agent of any of the employees of the business in the former location or a trade union or council of trade unions is the bargaining agent of the employees of a similar business being carried on in the area of the new location, and, Remedial
power of
Board

- (a) any question arises concerning the application of this section; or
- (b) any person, trade union or council of trade unions claims that, by virtue of the operation of subsection 1, a conflict exists between the bargaining rights of the trade union or council of trade unions that was the bargaining agent of the employees of the business in the former location and a trade union or council of trade unions that represents employees of a similar business being carried on in the area of the new location,

the Board may, upon the application of any person, trade union or council of trade unions concerned,

- (c) define the composition of the bargaining unit for the business in the new location and certify a trade union or council of trade unions as the bargaining agent of employees in the bargaining unit; and
- (d) amend, to such extent as the Board considers necessary, any bargaining unit in any certificate issued to a trade union or council of trade unions before the relocation or any bargaining unit defined in any collective agreement concluded before the relocation.

Commence-
ment

3. This Act comes into force on the day it receives Royal Assent.

Short title

4. The short title of this Act is *The Labour Relations Amendment Act, 1981*.

An Act to amend
The Labour Relations Act

1st Reading

April 27th, 1981

2nd Reading

3rd Reading

MR. MACKENZIE

(Private Member's Bill)

BILL 12

Private Member's Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend The Labour Relations Act

MR. MACKENZIE



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTE

The purpose of the Bill is to clarify that *The Labour Relations Act* applies to employees who are engaged in agricultural employment in an industrial or factory setting. Section 2 (b) of the Act currently states that the Act does not apply "to a person employed in agriculture". This provision has been interpreted broadly by the Ontario Labour Relations Board to exclude from the Act persons whose employment relates to agriculture but who are employed in organizations that resemble industrial plants.

BILL 12

1981

An Act to amend The Labour Relations Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Clause *b* of section 2 of *The Labour Relations Act*, being chapter 232 of the Revised Statutes of Ontario, 1970, is repealed and the following substituted therefor:

s. 2 (b), re-enacted

(*b*) to a person employed in agriculture on a farm by a person who is a farmer;

(*ba*) to a person employed in hunting or trapping.
2. This Act comes into force on the day it receives Royal Assent. Commence-
ment
3. The short title of this Act is *The Labour Relations Amendment Act, 1981*. Short title

An Act to amend
The Labour Relations Act

1st Reading

April 27th, 1981

2nd Reading

3rd Reading

MR. MACKENZIE

(Private Member's Bill)

BILL 13

Private Member's Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend The Labour Relations Act

MR. MACKENZIE



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTE

The purpose of the Bill is to repeal a provision of the Act that prohibits the inclusion of security guards in a bargaining unit. The repeal of this provision would permit security guards to join or establish an association or union for collective bargaining purposes.

BILL 13

1981

An Act to amend The Labour Relations Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 11 of *The Labour Relations Act*, being chapter 232 of the Revised Statutes of Ontario, 1970, is repealed. s. 11,
repealed
2. This Act comes into force on the day it receives Royal Assent. Commence-
ment
3. The short title of this Act is *The Labour Relations Amendment Act*, Short title
1981.

BILL 13

An Act to amend
The Labour Relations Act

1st Reading

April 27th, 1981

2nd Reading

3rd Reading

MR. MACKENZIE

(Private Member's Bill)

BILL 14

Private Member's Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend The Labour Relations Act

MR. MACKENZIE



EXPLANATORY NOTE

The purpose of the Bill is to delete the exclusion from "employee" of persons who exercise managerial functions. The effect of the amendment is to permit these persons to join or establish an association or union for collective bargaining purposes.

BILL 14

1981

An Act to amend The Labour Relations Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Clause *b* of subsection 3 of section 1 of *The Labour Relations Act*, ^{s. 1 (3) (b), re-enacted} being chapter 232 of the Revised Statutes of Ontario, 1970, is repealed and the following substituted therefor:

(b) who, in the opinion of the Board, is employed in a confidential capacity in matters relating to labour relations.
2. This Act comes into force on the day it receives Royal Assent. Commence-
ment
3. The short title of this Act is *The Labour Relations Amendment Act*, Short title
1981.

BILL 14

An Act to amend
The Labour Relations Act

1st Reading

April 27th, 1981

2nd Reading

3rd Reading

MR. MACKENZIE

(Private Member's Bill)

BILL 15

Private Member's Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend The Labour Relations Act

MR. MACKENZIE



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTE

The purpose of the Bill is to reduce the percentage of employees in a bargaining unit required to be members of a trade union in order for the Board to direct a representation vote. The proposed amendment requires the Board to certify a trade union as a bargaining agent without a representation vote where the Board is satisfied that more than 50 per cent of the members of the bargaining unit are members of the trade union. A representation vote held under this section must be held within seven days of the day on which the Board directs the vote.

BILL 15

1981

An Act to amend The Labour Relations Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsections 2 and 3 of section 7 of *The Labour Relations Act*, being s. 7 (2, 3), chapter 232 of the Revised Statutes of Ontario, 1970, as amended by re-enacted the Statutes of Ontario, 1975, chapter 76, section 4, are repealed and the following substituted therefor:
 - (2) If the Board is satisfied that not less than 35 per cent and not more than 50 per cent of the employees in the bargaining unit are members of the trade union, the Board shall direct that a representation vote be taken within seven days of the day on which the direction is made. Determination of members in bargaining unit
 - (3) If on the taking of a representation vote more than 50 per cent of the ballots cast are in favour of the trade union, the Board shall certify the trade union as the bargaining agent of the employees in the bargaining unit. Certification after vote
 - (4) If the Board is satisfied that more than 50 per cent of the employees in the bargaining unit are members of the trade union, the Board shall certify the trade union as bargaining agent without taking a representation vote. Certification without vote
2. This Act comes into force on the day it receives Royal Assent. Commencement
3. The short title of this Act is *The Labour Relations Amendment Act*, 1981. Short title

BILL 15

An Act to amend
The Labour Relations Act

1st Reading

April 27th, 1981

2nd Reading

3rd Reading

MR. MACKENZIE

(Private Member's Bill)

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend The Labour Relations Act

MR. MACKENZIE



EXPLANATORY NOTE

Section 1 of the Bill repeals a provision in the Act that permits an employer to request, either before or after the commencement of a strike or lock-out, that a vote be held on the employer's last offer. Section 2 of the Bill repeals a provision of the Act that permits employees in a bargaining unit who are not members of the trade union to participate in a strike vote or a vote to ratify a proposed collective agreement.

BILL 16

1981

An Act to amend The Labour Relations Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 34e of *The Labour Relations Act*, being chapter 232 of the Revised Statutes of Ontario, 1970, as enacted by the Statutes of Ontario, 1980, chapter 34, section 1, is repealed. s. 34e,
repealed
2. Subsection 4a of section 63 of the said Act, as enacted by the Statutes of Ontario, 1980, chapter 34, section 3, is repealed. s. 63 (4a),
repealed
3. This Act comes into force on the day it receives Royal Assent. Commence-
ment
4. The short title of this Act is *The Labour Relations Amendment Act*, Short title
1981.

BILL 16

An Act to amend
The Labour Relations Act

1st Reading

April 27th, 1981

2nd Reading

3rd Reading

MR. MACKENZIE

(Private Member's Bill)

56

CONFIDENTIAL

BILL 17

Private Member's Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend The Employment Standards Act, 1974

MR. MARTEL



EXPLANATORY NOTE

The purpose of the Bill is to prohibit an employer from requiring an employee to work more than five consecutive days without two days of rest.

BILL 17

1981

**An Act to amend
The Employment Standards Act, 1974**

HER MAJESTY, by and with the advice and consent of the
Legislative Assembly of the Province of Ontario, enacts as
follows:

1. *The Employment Standards Act, 1974*, being chapter 112, is s. 22a,
enacted amended by adding thereto the following section:

22a. Notwithstanding anything in this Part, an employer shall Maximum
consecutive
days of
work
not require an employee to perform work on more than five
consecutive days without two days of rest.

2. This Act comes into force on the day it receives Royal Assent. Commence-
ment
3. The short title of this Act is *The Employment Standards Amend- Short title
ment Act, 1981*.

An Act to amend
The Employment Standards Act, 1974

1st Reading

April 27th, 1981

2nd Reading

3rd Reading

MR. MARTEL

(Private Member's Bill)

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend The Dog Licensing and
Live Stock and Poultry Protection Act

THE HON. L. C. HENDERSON
Minister of Agriculture and Food



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTE

Subsections 2 and 3 of section 19 of the Act deal with compensation for the killing or injuring of live stock or poultry by wolves in territory without municipal organization.

The subsections are re-enacted to constitute agricultural representatives and assistant agricultural representatives valuers in territory without municipal organization and to set out in detail and expand the procedures for determining the amount of compensation payable. At present, such procedures are incorporated by reference to certain subsections of section 14 of the Act.



BILL 18

1981

An Act to amend The Dog Licensing and Live Stock and Poultry Protection Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsections 2 and 3 of section 19 of *The Dog Licensing and Live Stock and Poultry Protection Act*, being chapter 133 of the Revised Statutes of Ontario, 1970, as enacted by the Statutes of Ontario, 1974, chapter 94, section 5, are repealed and the following substituted therefor:

s. 19 (2, 3),
re-enacted

(2) For the purposes of this section, every agricultural representative and every assistant agricultural representative is *ex officio* a valuer in territory without municipal organization.

Valuers in
unorganized
territory

(3) Every agricultural representative to whom subsection 2 applies shall designate a person or persons who may carry out the duties of the agricultural representative or assistant agricultural representative, as the case may be, as a valuer in all cases where the agricultural representative or assistant agricultural representative is absent or otherwise unable to carry out his duties as a valuer under this section.

Designation
by
agricultural
representative

(4) Where, in territory without municipal organization, live stock or poultry are killed or injured by a wolf, the Commissioner may pay compensation to the owner of the live stock or poultry for the amount of the damage determined in accordance with this section.

Payment of
compensation

(5) Where, in territory without municipal organization, the owner of live stock or poultry discovers that any of his live stock or poultry has been killed or injured and to the best of his knowledge and belief such killing or injuring was done by a wolf, he shall immediately notify a valuer, and such valuer shall immediately make full investigation and shall make his report in writing within ten days thereafter to the Commissioner giving in detail the extent and amount of the damage and his award therefor, and he shall at

Investigation
and report
by valuer

the same time forward a copy of such report to the owner of the live stock or poultry.

Affidavit
of owner

(6) Where an owner of live stock or poultry notifies a valuer under subsection 5, such owner shall, within ten days, file with the Commissioner an affidavit that to the best of his knowledge and belief the live stock or poultry were killed or injured by a wolf.

Denial of
liability

(7) Where the valuer finds evidence that to the best of his knowledge and belief shows.

(a) that any of the live stock or poultry was not killed or injured by a wolf; or

(b) that the owner had not taken reasonable care to prevent the killing or injuring of his live stock or poultry by wolves,

the valuer shall include in his report to the Commissioner and to the owner of the live stock or poultry a statement of his belief and shall make forthwith a further report to the Commissioner giving particulars of the evidence found, and the Commissioner may thereupon deny liability in whole or in part by written notice given by the Commissioner to the owner of the live stock or poultry within thirty days after the filing of his affidavit with the Commissioner.

Report

(8) The valuer shall include in his report a finding as to whether the live stock or poultry were killed or injured by wolves.

Damages
limited

(9) The amount of damage incurred by an owner shall not include damage incurred under the circumstances set out in clause *a* or *b* of subsection 7 and for which the Commissioner has denied liability in accordance with subsection 7.

Where
carcass
not to be
destroyed

(10) No owner of live stock or poultry shall destroy or permit to be destroyed the carcass of any live stock or poultry reported killed under subsection 5 until the carcass has been seen by the valuer.

Appeal to
Commissioner

(11) Where the owner of live stock or poultry is dissatisfied with the report of the valuer made under subsection 5, the owner may appeal to the Commissioner who shall name a valuer, and the valuer so named shall make a further investigation and report.

Time for
appeal;
deposit

(12) Such appeal shall be made within thirty days after the making of the report to the Commissioner by the valuer under subsection 5, and \$25 shall be deposited with the Commissioner

at the time of making the appeal to be forfeited to the Crown if the report of the valuer is sustained on an appeal under this section.

(13) A copy of the report of a valuer named by the Commissioner under subsection 11 shall be forwarded by the Commissioner as soon as practicable to the owner of the live stock or poultry. Report of valuer appointed by Commissioner

(14) A valuer named by the Commissioner under subsection 11 shall, where applicable, include in his report a statement of his belief that the amount of damage to live stock or poultry includes damage incurred under the circumstances set out in clause *a* or *b* of subsection 7, and the Commissioner may thereupon deny liability in whole or in part by written notice given by him to the owner of the live stock or poultry within thirty days after receipt of the report of the valuer. Idem

(15) Where the owner of live stock or poultry is dissatisfied with the report of the valuer made under subsection 11, the owner may, within thirty days after receipt of the report, appeal to a judge of the district court of the district in which he resides, and the judge may determine liability and, subject to subsection 16, the amount payable to the owner. Appeal from report of valuer

(16) No compensation shall be paid to an owner in excess of the maximum amount prescribed for live stock or poultry in the regulations made for the purposes of subsection 13 of section 14. Amount of compensation

2. This Act comes into force on the day it receives Royal Assent. Commencement
3. The short title of this Act is *The Dog Licensing and Live Stock and Poultry Protection Amendment Act, 1981*. Short title

BILL 18

An Act to amend
The Dog Licensing and Live Stock
and Poultry Protection Act

1st Reading

April 28th, 1981

2nd Reading

3rd Reading

THE HON. L. C. HENDERSON
Minister of Agriculture and Food

(Government Bill)

6

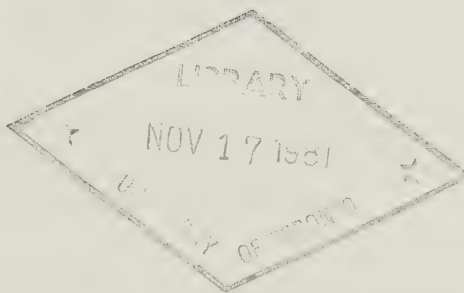
Bill
Public

BILL 18

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend the Dog Licensing and
Live Stock and Poultry Protection Act

THE HON. L. C. HENDERSON
Minister of Agriculture and Food



An Act to amend the Dog Licensing and Live Stock and Poultry Protection Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsections 16 (2) and (3) of the *Dog Licensing and Live Stock and Poultry Protection Act*, being chapter 123 of the Revised Statutes of Ontario, 1980, are repealed and the following substituted therefor: s. 16 (2, 3),
re-enacted

(2) For the purposes of this section, every agricultural representative and every assistant agricultural representative is *ex officio* a valuer in territory without municipal organization. Valuers in
unorganized
territory

(3) Every agricultural representative to whom subsection (2) applies shall designate a person or persons who may carry out the duties of the agricultural representative or assistant agricultural representative, as the case may be, as a valuer in all cases where the agricultural representative or assistant agricultural representative is absent or otherwise unable to carry out his duties as a valuer under this section. Designation
by
agricultural
representative

(4) Where, in territory without municipal organization, live stock or poultry are killed or injured by a wolf, the Commissioner may pay compensation to the owner of the live stock or poultry for the amount of the damage determined in accordance with this section. Payment of
compensation

(5) Where, in territory without municipal organization, the owner of live stock or poultry discovers that any of his live stock or poultry has been killed or injured and to the best of his knowledge and belief such killing or injuring was done by a wolf, he shall immediately notify a valuer, and such valuer shall immediately make full investigation and shall make his report in writing within ten days thereafter to the Commissioner giving in detail the extent and amount of the damage and his award therefor, and he shall at Investigation
and report
by valuer

the same time forward a copy of such report to the owner of the live stock or poultry.

Affidavit
of owner

(6) Where an owner of live stock or poultry notifies a valuer under subsection (5), such owner shall, within ten days, file with the Commissioner an affidavit that to the best of his knowledge and belief the live stock or poultry were killed or injured by a wolf.

Denial of
liability

(7) Where the valuer finds evidence that to the best of his knowledge and belief shows,

- (a) that any of the live stock or poultry was not killed or injured by a wolf; or
- (b) that the owner had not taken reasonable care to prevent the killing or injuring of his live stock or poultry by wolves,

the valuer shall include in his report to the Commissioner and to the owner of the live stock or poultry a statement of his belief and shall make forthwith a further report to the Commissioner giving particulars of the evidence found, and the Commissioner may thereupon deny liability in whole or in part by written notice given by the Commissioner to the owner of the live stock or poultry within thirty days after the filing of his affidavit with the Commissioner.

Report

(8) The valuer shall include in his report a finding as to whether the live stock or poultry were killed or injured by wolves.

Damages
limited

(9) The amount of damage incurred by an owner shall not include damage incurred under the circumstances set out in clause 7 (a) or (b) and for which the Commissioner has denied liability in accordance with subsection (7).

Where
carcass
not to be
destroyed

(10) No owner of live stock or poultry shall destroy or permit to be destroyed the carcass of any live stock or poultry reported killed under subsection (5) until the carcass has been seen by the valuer.

Appeal to
Commissioner

(11) Where the owner of live stock or poultry is dissatisfied with the report of the valuer made under subsection (5), the owner may appeal to the Commissioner who shall name a valuer, and the valuer so named shall make a further investigation and report.

Time for
appeal;
deposit

(12) Such appeal shall be made within thirty days after the making of the report to the Commissioner by the valuer under subsection (5), and \$25 shall be deposited with the Commissioner

at the time of making the appeal to be forfeited to the Crown if the report of the valuer is sustained on an appeal under this section.

(13) A copy of the report of a valuer named by the Commissioner under subsection (11) shall be forwarded by the Commissioner as soon as practicable to the owner of the live stock or poultry. Report of valuer appointed by Commissioner

(14) A valuer named by the Commissioner under subsection (11) shall, where applicable, include in his report a statement of his belief that the amount of damage to live stock or poultry includes damage incurred under the circumstances set out in clause (7) (a) or (b), and the Commissioner may thereupon deny liability in whole or in part by written notice given by him to the owner of the live stock or poultry within thirty days after receipt of the report of the valuer. Idem

(15) Where the owner of live stock or poultry is dissatisfied with the report of the valuer made under subsection (11), the owner may, within thirty days after receipt of the report, appeal to a judge of the district court of the district in which he resides, and the judge may determine liability and, subject to subsection (16), the amount payable to the owner. Appeal from report of valuer

(16) No compensation shall be paid to an owner in excess of the maximum amount prescribed for live stock or poultry in the regulations made for the purposes of subsection 11 (14). Amount of compensation

2. This Act comes into force on the day it receives Royal Assent. Commencement
3. The short title of this Act is the *Dog Licensing and Live Stock and Poultry Protection Amendment Act, 1981*. Short title

BILL 18

An Act to amend
the Dog Licensing and Live Stock
and Poultry Protection Act

1st Reading

April 28th, 1981

2nd Reading

October 26th, 1981

3rd Reading

October 29th, 1981

THE HON. L. C. HENDERSON
Minister of Agriculture and Food

BILL 19

Government Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act respecting the
Marketing of Sheep and Wool

THE HON. L. C. HENDERSON
Minister of Agriculture and Food



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTE

The purpose of the Bill is to extend the application of *The Wool Marketing Act* to the production and marketing of sheep that are sold for the production of meat.



BILL 19

1981

An Act respecting the Marketing of Sheep and Wool

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. In this Act,

Interpre-
tation

- (a) "Association" means The Ontario Sheep Association incorporated under *The Agricultural Associations Act*; R.S.O. 1970,
c. 8
- (b) "buyer" means a person engaged in buying sheep or wool from producers of sheep or wool in Ontario;
- (c) "inspector" means an inspector appointed for the purposes of this Act;
- (d) "licence" means a licence issued under this Act;
- (e) "Minister" means the Minister of Agriculture and Food;
- (f) "regulations" means the regulations made under this Act;
- (g) "sheep" includes rams, ewes and lambs but does not include sheep that are not sold for the production of meat.

2.—(1) The purpose and intent of this Act is to provide for the financing of the Association so it may expend moneys to advance the production of sheep and wool in all its branches and improve the marketing of sheep and wool by,

Purpose
and intent
of Act

- (a) encouraging and promoting improvement in all phases of sheep breeding, production and marketing;
- (b) sponsoring sales, competitive exhibitions and projects to further the interests of sheep owners;

- (c) co-operating with government and agencies of government to improve the breeding, production and marketing of sheep and the production and marketing of wool;
- (d) holding meetings for the consideration of questions relating to the sheep and wool industry;
- (e) co-operating with organizations of producers of agricultural products;
- (f) collecting, arranging, assembling and disseminating information; and
- (g) making representations to all levels of government and to agencies of government.

Use of
licence
fees by
Association

(2) The Association may use licence fees paid to it under this Act for defraying the expenses of the Association in doing any thing referred to in subsection 1 and in carrying out its objects.

Exemption

3.—(1) A person who sells sheep produced by him directly to another producer of sheep or directly to a consumer is exempt from this Act in respect of such sheep.

Idem

(2) A person who sells wool produced by him directly to another producer of wool or directly to a consumer is exempt from this Act in respect of such wool.

Licences

4.—(1) Except under the authority of a licence, no person shall sell sheep to a buyer.

Idem

(2) Every person who sells sheep to a buyer shall be deemed to be the holder of a licence, except when in default of payment of licence fees prescribed under this Act.

Licences

5.—(1) Except under the authority of a licence, no person shall sell wool to a buyer.

Idem

(2) Every person who sells wool to a buyer shall be deemed to be the holder of a licence, except when in default of payment of licence fees prescribed under this Act.

Refund of
licence fees

6.—(1) Every person who is the holder of a licence under section 4 or 5 may apply for a refund of any licence fees paid by him to the Association under this Act.

Idem

(2) Every application for a refund shall be made in the manner prescribed in the regulations.

Idem

(3) Where the Association receives an application for a refund, it shall refund the licence fees in the manner prescribed in the

regulations and in any case not later than six months after receipt of the application therefor.

(4) Any person who is a producer and buyer is entitled in his respective capacities as a producer and as a buyer to all the rights and privileges and is subject to all the duties and obligations of a producer and of a buyer. ^{Producer-buyer}

(5) Any person who is a producer and a buyer shall be deemed ^{Idem} to have received in his capacity as a buyer from himself in his capacity as a producer the sheep or wool produced by him that he buys, and to have contracted in that capacity with himself in his capacity as a producer for the marketing thereof upon the condition that this Act and regulations apply.

7. Where the board of directors of the Association is of the opinion that a majority of the members of the Association are in favour thereof, the board of directors may recommend through the Minister to the Lieutenant Governor in Council the making, amending or revoking of regulations respecting any of the matters set forth in section 8. ^{Recommendations by directors of Association}

8.—(1) Notwithstanding section 7, the Lieutenant Governor ^{Regulations} in Council may make regulations,

- (a) fixing the amount of licence fees up to but not exceeding one and one-half per cent of the sale price of any sheep and any wool;
- (b) requiring persons to pay to the Association licence fees owing by them;
- (c) requiring any buyer who receives sheep or wool from a seller thereof to deduct, from the moneys payable to the seller, any licence fee payable by the seller to the Association, and to forward such licence fees to the Association;
- (d) providing for the recovery by the Association of licence fees owing to the Association by suit in a court of competent jurisdiction;
- (e) prescribing the manner in which applications for refund of licence fees shall be made and the manner in which refunds shall be made;
- (f) providing for the exemption from any or all of the regulations of any sheep or wool or class thereof or any person or class of persons;

(g) prescribing the duties of inspectors;

(h) prescribing forms and providing for their use.

Application
of regulations

(2) Any regulation may be limited as to time or place, or to both.

Definitions

(3) Any word or expression used in a regulation may be defined in the regulation for the purposes of the regulation.

Appointment
of inspectors

9. The Lieutenant Governor in Council may appoint inspectors for the purposes of this Act.

Powers of
inspectors

10.—(1) For the purposes of enforcing this Act and the regulations, an inspector may, during normal business hours, enter any premises, other than a dwelling, that he has reason to believe is used by a buyer for receiving, assembling or storing wool or for receiving, assembling or slaughtering sheep, or an office used in connection therewith.

Production of
documents

(2) For the purpose of enforcing this Act and the regulations, an inspector may demand the production or furnishing by the owner or custodian thereof of any books, records, documents or extracts therefrom, in a place referred to in subsection 1, relating to sheep or wool.

Idem

(3) Where an inspector demands the production or furnishing of books, records, documents or extracts therefrom the person having custody thereof shall produce or furnish them to the inspector, and the inspector may detain them for the purpose of photocopying them, provided such photocopying is carried out with reasonable dispatch and the inspector shall forthwith thereafter return them to the person who produced or furnished them.

Photocopy
as evidence

(4) Where a book, record, document or extract has been photocopied under subsection 3, a photocopy purporting to be certified by an inspector to be a copy made pursuant to subsection 3 is admissible in evidence and has the same probative force as the original document would have had if it had been proven in the ordinary way.

Demand
to be in
writing

(5) Where an inspector makes a demand under subsection 2, the demand shall be in writing and shall include a statement of the nature of the investigation and the general nature of the books, records, documents or extracts required.

Obstruction
of inspector

(6) No person shall hinder or obstruct an inspector in the course of his duties or furnish him with false information or refuse to furnish him with information relating to his duties under this section.

11. The production by an inspector of a certificate of his appointment purporting to be signed by the Minister is admissible in evidence as *prima facie* proof of the facts stated in the certificate and of the authority of the inspector to exercise the powers and perform the duties prescribed in this Act and the regulations. Certificate of appointment of inspector

12. Every person who contravenes any of the provisions of this Act or the regulations is guilty of an offence and on conviction is liable for a first offence to a fine of not more than \$100 and for a subsequent offence to a fine of not more than \$500. Offence

13. *The Wool Marketing Act, 1974*, being chapter 56, and section 10 of *The Metric Conversion Statute Law Amendment Act, 1978*, being chapter 87, are repealed. Repeals

14. This Act comes into force on a day to be named by proclamation of the Lieutenant Governor. Commencement

15. The short title of this Act is *The Sheep and Wool Marketing Act, 1981*. Short title

An Act respecting the
Marketing of Sheep and Wool

1st Reading

April 28th, 1981

2nd Reading

3rd Reading

THE HON. L. C. HENDERSON
Minister of Agriculture and Food

(Government Bill)

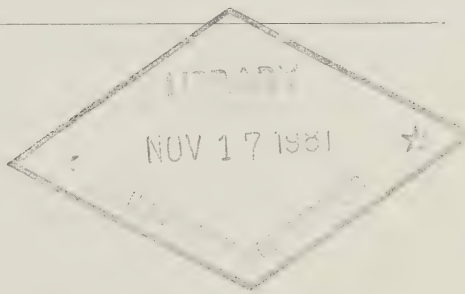
8N

^{1/3}
BILL 19

^{1/2}
1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981 ^{1/1}

An Act respecting the
Marketing of Sheep and Wool

THE HON. L. C. HENDERSON
Minister of Agriculture and Food



BILL 19

1981

An Act respecting the Marketing of Sheep and Wool

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. In this Act,

Interpre-
tation

- (a) "Association" means The Ontario Sheep Association incorporated under the *Agricultural Associations Act*; R.S.O. 1980,
c. 8
- (b) "buyer" means a person engaged in buying sheep or wool from producers of sheep or wool in Ontario;
- (c) "inspector" means an inspector appointed for the purposes of this Act;
- (d) "licence" means a licence issued under this Act;
- (e) "Minister" means the Minister of Agriculture and Food;
- (f) "regulations" means the regulations made under this Act;
- (g) "sheep" includes rams, ewes and lambs but does not include sheep that are not sold for the production of meat.

2.—(1) The purpose and intent of this Act is to provide for the financing of the Association so it may expend moneys to advance the production of sheep and wool in all its branches and improve the marketing of sheep and wool by,

Purpose
and intent
of Act

- (a) encouraging and promoting improvement in all phases of sheep breeding, production and marketing;
- (b) sponsoring sales, competitive exhibitions and projects to further the interests of sheep owners;

- (c) co-operating with government and agencies of government to improve the breeding, production and marketing of sheep and the production and marketing of wool;
- (d) holding meetings for the consideration of questions relating to the sheep and wool industry;
- (e) co-operating with organizations of producers of agricultural products;
- (f) collecting, arranging, assembling and disseminating information; and
- (g) making representations to all levels of government and to agencies of government.

Use of
licence
fees by
Association

(2) The Association may use licence fees paid to it under this Act for defraying the expenses of the Association in doing any thing referred to in subsection (1) and in carrying out its objects.

Exemption

3.—(1) A person who sells sheep produced by him directly to another producer of sheep or directly to a consumer is exempt from this Act in respect of such sheep.

Idem

(2) A person who sells wool produced by him directly to another producer of wool or directly to a consumer is exempt from this Act in respect of such wool.

Licences

4.—(1) Except under the authority of a licence, no person shall sell sheep to a buyer.

Idem

(2) Every person who sells sheep to a buyer shall be deemed to be the holder of a licence, except when in default of payment of licence fees prescribed under this Act.

Licences

5.—(1) Except under the authority of a licence, no person shall sell wool to a buyer.

Idem

(2) Every person who sells wool to a buyer shall be deemed to be the holder of a licence, except when in default of payment of licence fees prescribed under this Act.

Refund of
licence fees

6.—(1) Every person who is the holder of a licence under section 4 or 5 may apply for a refund of any licence fees paid by him to the Association under this Act.

Idem

(2) Every application for a refund shall be made in the manner prescribed in the regulations.

Idem

(3) Where the Association receives an application for a refund, it shall refund the licence fees in the manner prescribed in the

regulations and in any case not later than six months after receipt of the application therefor.

(4) Any person who is a producer and a buyer is entitled in his respective capacities as a producer and as a buyer to all the rights and privileges and is subject to all the duties and obligations of a producer and of a buyer. Producer-buyer

(5) Any person who is a producer and a buyer shall be deemed to have received in his capacity as a buyer from himself in his capacity as a producer the sheep or wool produced by him that he buys, and to have contracted in that capacity with himself in his capacity as a producer for the marketing thereof upon the condition that this Act and regulations apply. Idem

7. Where the board of directors of the Association is of the opinion that a majority of the members of the Association are in favour thereof, the board of directors may recommend through the Minister to the Lieutenant Governor in Council the making, amending or revoking of regulations respecting any of the matters set forth in section 8. Recommendations by directors of Association

8.—(1) Notwithstanding section 7, the Lieutenant Governor in Council may make regulations, Regulations

- (a) fixing the amount of licence fees up to but not exceeding one and one-half per cent of the sale price of any sheep and any wool;
- (b) requiring persons to pay to the Association licence fees owing by them;
- (c) requiring any buyer who receives sheep or wool from a seller thereof to deduct, from the moneys payable to the seller, any licence fee payable by the seller to the Association, and to forward such licence fees to the Association;
- (d) providing for the recovery by the Association of licence fees owing to the Association by suit in a court of competent jurisdiction;
- (e) prescribing the manner in which applications for refund of licence fees shall be made and the manner in which refunds shall be made;
- (f) providing for the exemption from any or all of the regulations of any sheep or wool or class thereof or any person or class of persons;

(g) prescribing the duties of inspectors;

(h) prescribing forms and providing for their use.

Application
of regulations

(2) Any regulation may be limited as to time or place, or to both.

Definitions

(3) Any word or expression used in a regulation may be defined in the regulation for the purposes of the regulation.

Appointment
of inspectors

9. The Lieutenant Governor in Council may appoint inspectors for the purposes of this Act.

Powers of
inspectors

10.—(1) For the purposes of enforcing this Act and the regulations, an inspector may, during normal business hours, enter any premises, other than a dwelling, that he has reason to believe is used by a buyer for receiving, assembling or storing wool or for receiving, assembling or slaughtering sheep, or an office used in connection therewith.

Production of
documents

(2) For the purpose of enforcing this Act and the regulations, an inspector may demand the production or furnishing by the owner or custodian thereof of any books, records, documents or extracts therefrom, in a place referred to in subsection (1), relating to sheep or wool.

Idem

(3) Where an inspector demands the production or furnishing of books, records, documents or extracts therefrom the person having custody thereof shall produce or furnish them to the inspector, and the inspector may detain them for the purpose of photocopying them, provided such photocopying is carried out with reasonable dispatch and the inspector shall forthwith thereafter return them to the person who produced or furnished them.

Photocopy
as evidence

(4) Where a book, record, document or extract has been photocopied under subsection (3), a photocopy purporting to be certified by an inspector to be a copy made pursuant to subsection (3) is admissible in evidence and has the same probative force as the original document would have had if it had been proven in the ordinary way.

Demand
to be in
writing

(5) Where an inspector makes a demand under subsection (2), the demand shall be in writing and shall include a statement of the nature of the investigation and the general nature of the books, records, documents or extracts required.

Obstruction
of inspector

(6) No person shall hinder or obstruct an inspector in the course of his duties or furnish him with false information or refuse to furnish him with information relating to his duties under this section.

11. The production by an inspector of a certificate of his appointment purporting to be signed by the Minister is admissible in evidence as *prima facie* proof of the facts stated in the certificate and of the authority of the inspector to exercise the powers and perform the duties prescribed in this Act and the regulations. Certificate of appointment of inspector

12. Every person who contravenes any of the provisions of this Act or the regulations is guilty of an offence and on conviction is liable for a first offence to a fine of not more than \$100 and for a subsequent offence to a fine of not more than \$500. Offence

13. The *Wool Marketing Act*, being chapter 538 of the Revised Statutes of Ontario, 1980, is repealed. Repeals

14. This Act comes into force on a day to be named by proclamation of the Lieutenant Governor. Commencement

15. The short title of this Act is the *Sheep and Wool Marketing Act, 1981*. Short title

BILL 19

An Act respecting the
Marketing of Sheep and Wool

1st Reading

April 28th, 1981

2nd Reading

October 26th, 1981

3rd Reading

October 29th, 1981

THE HON. L. C. HENDERSON
Minister of Agriculture and Food

BILL 20

Government Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend The Personal Property Security Act

THE HON. G. W. WALKER
Minister of Consumer and Commercial Relations



EXPLANATORY NOTES

SECTION 1. The purpose of the proposed section 65a is to protect the security interests of persons who registered under *The Personal Property Security Act* when they should have registered under *The Corporation Securities Registration Act*.

SECTION 2. Self-explanatory.

BILL 20

1981

An Act to amend The Personal Property Security Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. *The Personal Property Security Act*, being chapter 344 of the Revised Statutes of Ontario, 1970, is amended by adding thereto the following section: s. 65a,
enacted

65a. Notwithstanding clause *c* of subsection 1 of section 3 of this Act, a mortgage, charge or assignment the registration of which is provided for in *The Corporation Securities Registration Act* shall not be invalid by reason only that it has not been registered under that Act, if the security interest created by the mortgage, charge or assignment is perfected by registration in compliance with this Act and this Act shall be deemed always to have applied to any such security interest. Saving
R.S.O. 1970,
c. 88

2. Section 1 does not affect the rights acquired by any person from a judgment or order of any court prior to the day this Act comes into force, or affect the outcome of any litigation commenced on or before the 27th day of April, 1981. Saving
3. This Act comes into force on the day it receives Royal Assent. Commence-
ment
4. The short title of this Act is *The Personal Property Security Amendment Act, 1981*. Short title

An Act to amend
The Personal Property Security Act

1st Reading

April 28th, 1981

2nd Reading

3rd Reading

THE HON. G. W. WALKER
Minister of Consumer and
Commercial Relations

(Government Bill)

BILL 20

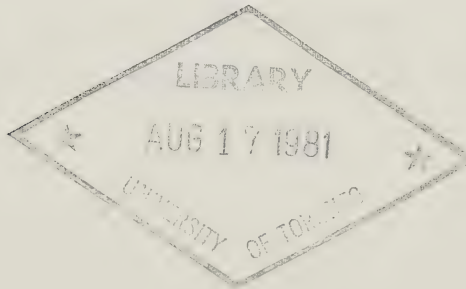
ONTARIO LEGISLATIVE ASSEMBLY

1 2

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend The Personal Property Security Act

THE HON. G. W. WALKER
Minister of Consumer and Commercial Relations



BILL 20

1981

An Act to amend The Personal Property Security Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. *The Personal Property Security Act*, being chapter 344 of the Revised Statutes of Ontario, 1970, is amended by adding thereto the following section: s. 65a,
enacted

65a. Notwithstanding clause *c* of subsection 1 of section 3 of this Act, a mortgage, charge or assignment the registration of which is provided for in *The Corporation Securities Registration Act* shall not be invalid by reason only that it has not been registered under that Act, if the security interest created by the mortgage, charge or assignment is perfected by registration in compliance with this Act and this Act shall be deemed always to have applied to any such security interest. Saving
R.S.O. 1970,
c. 88

2. Section 1 does not affect the rights acquired by any person from a judgment or order of any court prior to the day this Act comes into force, or affect the outcome of any litigation commenced on or before the 27th day of April, 1981. Saving
3. This Act comes into force on the day it receives Royal Assent. Commence-
ment
4. The short title of this Act is *The Personal Property Security Amendment Act, 1981*. Short title

An Act to amend
The Personal Property Security Act

1st Reading

April 28th, 1981

2nd Reading

June 11th, 1981

3rd Reading

June 17th, 1981

THE HON. G. W. WALKER
Minister of Consumer and
Commercial Relations

2W
2

BILL 21

Continued
Publication

Government Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend The Liquor Licence Act, 1975

THE HON. G. W. WALKER
Minister of Consumer and Commercial Relations



EXPLANATORY NOTE

The provision would permit regulations to be made prohibiting or controlling possession of liquor in specified parks and lands controlled by conservation authorities.

BILL 21

1981

An Act to amend The Liquor Licence Act, 1975

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Clause *x* of section 40 of *The Liquor Licence Act, 1975*, being chapter 40, as enacted by the Statutes of Ontario, 1978, chapter 42, section 1, is repealed and the following substituted therefor: s. 40 (x),
re-enacted

(x) prohibiting or regulating and controlling the possession of liquor in provincial parks, in a park managed or controlled by the Niagara Parks Commission, the St. Lawrence Parks Commission, the St. Clair Parkway Commission or on lands owned or controlled by a conservation authority established or continued under *The Conservation Authorities Act*. R.S.O. 1970,
c. 78

2. This Act comes into force on the day it receives Royal Assent. Commence-
ment
3. The short title of this Act is *The Liquor Licence Amendment Act, 1981*. Short title

BILL 21

An Act to amend
The Liquor Licence Act, 1975

1st Reading

April 28th, 1981

2nd Reading

3rd Reading

THE HON. G. W. WALKER
Minister of Consumer and
Commercial Relations

(Government Bill)

W
56
ONTARIO LEGISLATIVE ASSEMBLY
1 2
BILL 21

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend The Liquor Licence Act, 1975

THE HON. G. W. WALKER
Minister of Consumer and Commercial Relations



BILL 21

1981

An Act to amend The Liquor Licence Act, 1975

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Clause *x* of section 40 of *The Liquor Licence Act, 1975*, being chapter 40, as enacted by the Statutes of Ontario, 1978, chapter 42, section 1, is repealed and the following substituted therefor:

(*x*) prohibiting or regulating and controlling the possession of liquor in provincial parks, in a park managed or controlled by the Niagara Parks Commission, the St. Lawrence Parks Commission, the St. Clair Parkway Commission or on lands owned or controlled by a conservation authority established or continued under *The Conservation Authorities Act*.

s. 40 (*x*),
re-enacted

R.S.O. 1970,
c. 78
2. This Act comes into force on the day it receives Royal Assent.

Commence-
ment
3. The short title of this Act is *The Liquor Licence Amendment Act, 1981*.

Short title

An Act to amend
The Liquor Licence Act, 1975

1st Reading

April 28th, 1981

2nd Reading

May 15th, 1981

3rd Reading

May 15th, 1981

THE HON. G. W. WALKER
Minister of Consumer and
Commercial Relations

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend The Racing Commission Act

THE HON. G. W. WALKER
Minister of Consumer and Commercial Relations



EXPLANATORY NOTE

SECTION 1. The section being repealed provides that the chairman and employees of the Commission are civil servants. It also authorizes the Lieutenant Governor in Council to provide that members of the Commission may be civil servants.

Currently, staff for the Racing Commission is appointed under section 10 of *The Ministry of Consumer and Commercial Relations Act*. Consequently, the provision being repealed is redundant except for its application to the chairman and other members of the Commission. No member of the Commission other than the chairman is a civil servant and the purpose of the repeal is that the chairman not be subject to *The Public Service Act* either.

SECTION 2. The amendment is to clarify that the Commission has the power to employ secretarial assistants and judges as well as professionals such as stewards, veterinarians, etc.

BILL 22

1981

An Act to amend The Racing Commission Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 9 of *The Racing Commission Act*, being chapter 398 of the Revised Statutes of Ontario, 1970, is repealed. s. 9,
repealed
2. Clause *m* of section 11 of the said Act is amended by inserting after "analysts" in the first line "secretarial assistants, judges". s. 11 (*m*),
amended
3. This Act comes into force on the day it receives Royal Assent. Commence-
ment
4. The short title of this Act is *The Racing Commission Amendment Act, 1981*. Short title

BILL 22

An Act to amend
The Racing Commission Act

1st Reading

April 28th, 1981

2nd Reading

3rd Reading

THE HON. G. W. WALKER
Minister of Consumer and Commercial
Relations

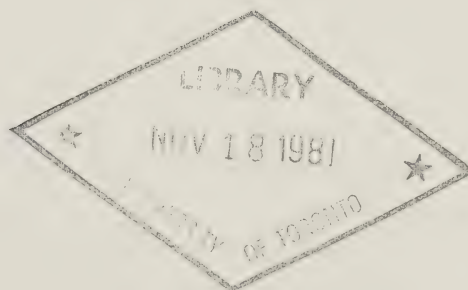
(Government Bill)

270
356
BILL 22

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend the Racing Commission Act

THE HON. G. W. WALKER
Minister of Consumer and Commercial Relations



TORONTO

PRINTED BY ALAN GORDON, QUEEN'S PRINTER FOR ONTARIO

BILL 22

1981

An Act to amend the Racing Commission Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 9 of the *Racing Commission Act*, being chapter 429 of the Revised Statutes of Ontario, 1980, is repealed. s. 9,
repealed
2. Clause 11 (*m*) of the said Act is amended by inserting after “analysts” in the first line “secretarial assistants, judges”. s. 11 (*m*),
amended
3. This Act comes into force on the day it receives Royal Assent. Commence-
ment
4. The short title of this Act is the *Racing Commission Amendment Act, 1981*. Short title

BILL 22

An Act to amend the
Racing Commission Act

1st Reading

April 28th, 1981

2nd Reading

October 20th, 1981

3rd Reading

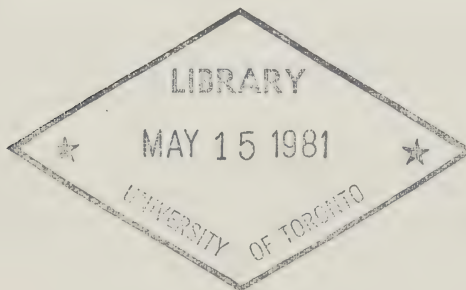
October 26th, 1981

THE HON. G. W. WALKER
Minister of Consumer and Commercial
Relations

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

**An Act to provide for the Fair Pricing of Products
and Services sold to Consumers in Ontario**

MR. SWART



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTE

The purpose of the Bill is to require a fair price for every product and service sold to consumers in Ontario. Where a retail seller charges an unfair price, the Bill sets out procedures and remedies for ensuring compliance with the fair pricing requirement. The Bill provides for an appeal of fair pricing orders to The Commercial Registration Appeal Tribunal.

BILL 23

1981

**An Act to provide for the
Fair Pricing of Products and Services sold to
Consumers in Ontario**

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. In this Act,

Interpre-
tation

- (a) "Director" means the Director under *The Ministry of Consumer and Commercial Relations Act*; R.S.O. 1970,
c. 113
- (b) "Minister" means the Minister of Consumer and Commercial Relations;
- (c) "product" means an item of goods;
- (d) "retail seller" means a person who offers a product or service for sale but not for resale;
- (e) "Tribunal" means The Commercial Registration Appeal Tribunal under *The Ministry of Consumer and Commercial Relations Act*.

2. Every retail seller of products and services in Ontario shall offer each product or service for sale at a price that is fair to the consumer having regard to the costs of producing, distributing and marketing the product or service. Fair prices
required

3. Where, upon the complaint of a person or upon his own motion, the Director believes on reasonable and probable grounds that a retail seller is charging or has charged an unfair price for a product or service, the Director may order the retail seller to comply with section 2 in respect of the product or service specified in the order and the Director may, in the order, establish a fair price for the product or service. Order to
cease
charging
unfair
price

Notice of proposal	4.—(1) Where the Director proposes to make an order under section 3, he shall serve notice of his proposal on each person to be named in the order together with written reasons therefor.
Request for hearing	(2) A notice under subsection 1 shall inform each person to be named in the order that he is entitled to a hearing by the Tribunal if he mails or delivers within fifteen days after the notice under subsection 1 is served on him notice in writing requiring a hearing to the Director and the Tribunal and he may so require such a hearing.
Failure to request hearing	(3) Where a person upon whom a notice is served under subsection 1 does not require a hearing by the Tribunal in accordance with subsection 2, the Director may carry out the proposal stated in the notice.
Hearing	(4) Where a person requires a hearing by the Tribunal in accordance with subsection 2, the Tribunal shall appoint a time for and hold the hearing and, on the application of the Director at the hearing, may by order direct the Director to carry out his proposal or to refrain from carrying out his proposal and to take such action as the Tribunal considers the Director ought to take in accordance with this Act and the regulations and for such purposes the Tribunal may substitute its opinion for that of the Director.
Conditions	(5) The Tribunal may attach such terms and conditions to its order as it considers proper to give effect to the purposes of this Act.
Parties	(6) The Director and the person who has required the hearing and such other persons as the Tribunal may specify are parties to proceedings before the Tribunal under this section.
Order for immediate compliance	5.—(1) Notwithstanding section 4, the Director may make an order under section 3 to take effect immediately where, in his opinion, to do so is necessary for the protection of the public and subject to subsections 3 and 4, the order takes effect immediately.
Notice of order	(2) Where the Director makes an order under subsection 1, he shall serve each person named in the order with a copy of the order together with written reasons therefor, and a notice containing the information required to be in a notice referred to in subsections 1 and 2 of section 4.
Hearing	(3) Where a person named in the order requires a hearing by the Tribunal in accordance with the notice under subsection 2, the Tribunal shall appoint a time for and hold the hearing and may confirm or set aside the order or exercise such other powers as may be exercised in a proceeding under section 4.

(4) Where a hearing by the Tribunal is required, the order expires thirty days after the giving of the notice requiring the hearing but, where the hearing is commenced before the expiration of the order, the Tribunal may extend the time of expiration until the hearing is concluded. Expiration of order

(5) The Director and the person who has required the hearing and such other persons having a direct interest in the order as the Tribunal may specify are parties to proceedings before the Tribunal under this section. Parties

6. Notwithstanding that, under section 9b of *The Ministry of Consumer and Commercial Relations Act*, an appeal is taken from an order of the Tribunal made under section 4 or 5, the order takes effect immediately but the Tribunal may grant a stay until the disposition of the appeal. Stay
R.S.O. 1970,
c. 113

7.—(1) Any person against whom the Director proposes to make an order to comply with section 2 may enter into a written assurance of voluntary compliance in the prescribed form undertaking to not charge the specified unfair price after the date thereof. Assurance of voluntary compliance

(2) Where an assurance of voluntary compliance is accepted by the Director, the assurance has and shall be given for all purposes of this Act the force and effect of an order made by the Director. Assurance deemed order

8. The Minister may by order appoint a person to make an investigation into any matter to which this Act applies as may be specified in the Minister's order and the person appointed shall report the result of his investigation to the Minister and, for the purposes of the investigation, the person making it has the powers of a commission under Part II of *The Public Inquiries Act, 1971*, which Part applies to such investigation as if it were an inquiry under that Act. Investigations by order of Minister
1971, c. 49

9. Any notice or document required by this Act to be served or given may be served or given personally or by registered mail addressed to the person to whom notice is to be given at his last known address and, where notice is served or given by mail, the service shall be deemed to have been made on the fifth day after the day of mailing unless the person to whom notice is given establishes that he, acting in good faith, through absence, accident, illness or other cause beyond his control, did not receive the notice, or did not receive the notice until a later date. Service of notice

10.—(1) Every person who, knowingly, Offences

(a) furnishes false information in an investigation under this Act;

(b) fails to comply with any order or assurance of voluntary compliance made or entered into under this Act; or

(c) obstructs a person making an investigation under section 8,

is guilty of an offence and on conviction is liable to a fine of not more than \$2,000 or to imprisonment for a term of not more than one year, or to both.

Idem

(2) Every person who charges an unfair practice price knowing it to be an unfair price is guilty of an offence and on conviction is liable to a fine of not more than \$2,000 or to imprisonment for a term of not more than one year, or to both.

Corporation

(3) Where a corporation is convicted of an offence under subsection 1 or 2, the maximum penalty that may be imposed upon the corporation is \$25,000 and not as provided therein.

Directors
and
officers

(4) Where a corporation has been convicted of an offence under subsection 1 or 2,

(a) each director of the corporation; and

(b) each officer, servant or agent of the corporation who was in whole or in part responsible for the conduct of that part of the business of the corporation that gave rise to the offence,

is a party to the offence unless he satisfies the court that he did not authorize, permit or acquiesce in the offence.

Commence-
ment

11. This Act comes into force on the day it receives Royal Assent.

Short title

12. The short title of this Act is *The Fair Pricing Act, 1981*.

An Act to provide for the
Fair Pricing of Products and Services
sold to Consumers in Ontario

1st Reading

April 28th, 1981

2nd Reading

3rd Reading

MR. SWART

(Private Member's Bill)

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to provide for a Public Advocate in Ontario

MR. SWART



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTE

The purpose of the Bill is to provide for a Public Advocate in Ontario. The function of the Public Advocate is to represent the public interest in Ontario at rate hearings before tribunals and commissions. The Public Advocate is also provided with the authority to intervene in hearings at which environmental matters are considered where, in the opinion of the Public Advocate, a broad general interest may be affected as a result of the hearing. The Bill provides for the Public Advocate to be appointed by the Lieutenant Governor in Council on the address of the Legislative Assembly of Ontario, and the Public Advocate is required to report annually on the affairs of his office to the Speaker. The Bill also provides authority for the Lieutenant Governor in Council to fix a levy to be paid by corporations that make application for a rate increase for the purpose of paying the expenses incurred by the Public Advocate in carrying out his functions and duties.

BILL 24

1981

An Act to provide for a Public Advocate in Ontario

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. In this Act, “environment” has the same meaning as in *The Environmental Assessment Act, 1975*. Interpretation
1975, c. 69

2. There shall be appointed, as an officer of the Legislature, a Public Advocate, to exercise the powers and perform the duties prescribed by this Act. Consumer advocate

3. The Public Advocate shall be appointed by the Lieutenant Governor in Council on the address of the Assembly. Appointment

4.—(1) Subject to this Act, the Public Advocate shall hold office for a term of five years, but is removable at any time for cause by the Lieutenant Governor in Council on the address of the Assembly. Term of office

(2) The Public Advocate may be reappointed for a further term or terms, but shall retire upon attaining the age of sixty-five years. Reappointment and retirement

5. The Public Advocate shall devote himself exclusively to the duties of his office and shall not hold any other office under the Crown or engage in any other employment. Nature of employment

6. The Public Advocate may be paid a salary to be fixed by the Lieutenant Governor in Council. Salary

7. Subject to the approval of the Lieutenant Governor in Council, the Public Advocate may employ such officers and other employees as the Public Advocate considers necessary for the efficient operation of his office and may determine their salary, remuneration and terms and conditions of employment. Staff

8. The Public Advocate shall report annually upon the affairs of his office to the Speaker of the Assembly who shall cause the Annual report

report to be laid before the Assembly if it is in session or, if not, at the next ensuing session.

Function:
rate
hearings

9.—(1) The function of the Public Advocate is to represent the public interest in hearings before and appeals from any tribunal or commission empowered to set or review a rate, toll, fare or charge for a product or service provided to the public.

Function:
environ-
mental
hearings

(2) Where a hearing before a tribunal or commission concerns an enterprise, activity or proposal that, in the opinion of the Public Advocate, affects a broad public interest in the environment, the Public Advocate may intervene in the hearing to represent the broad public interest.

Standing

(3) The Public Advocate shall be accorded standing as an intervenor and party at any hearing referred to in subsections 1 and 2 notwithstanding any provision of any Act, regulation, rule of procedure or other rule of law that would deny standing to the Public Advocate before the tribunal or commission.

Consider-
ations

(4) In determining whether or not to represent the public interest in a proceeding under subsection 1 or 2, the Public Advocate shall consider the importance and extent of the public interest involved and whether that interest would be adequately represented without the action of the Public Advocate and if the Public Advocate determines that there are inconsistent public interests involved in a particular matter, the Public Advocate may choose to represent one such interest based on the foregoing considerations.

Guidance
rules

10. The Assembly may make general rules for the guidance of the Public Advocate in the exercise of his functions under this Act.

Levy

11. The Lieutenant Governor in Council may, by regulation, fix a levy that shall be specifically assessed upon any corporation that makes application to a tribunal or commission for approval or review of a rate increase for the purpose of paying the expenses incurred by the Public Advocate in carrying out his functions and duties under this Act but the amount of the levy shall not in any year exceed one-tenth of one per cent of the corporation's gross revenue in its most recently completed financial year.

Commence-
ment

12. This Act comes into force on the day it receives Royal Assent.

Short title

13. The short title of this Act is *The Public Advocate Act, 1981*.

An Act to provide
for a Public Advocate in Ontario

1st Reading

April 28th, 1981

2nd Reading

3rd Reading

MR. SWART

(Private Member's Bill)

BILL 25

Private Member's Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to establish
The Automobile Insurance Rate Control Board

MR. SWART



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTE

The Bill establishes an automobile insurance rate control board that would have the power to approve and fix rates and to conduct public hearings dealing with rate increases.

BILL 25

1981

An Act to establish The Automobile Insurance Rate Control Board

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. In this Act,

Interpre-
tation

(a) "Board" means The Automobile Insurance Rate Control Board;

(b) "Minister" means the Minister of Consumer and Commercial Relations.

2.—(1) A board to be known as "The Automobile Insurance Rate Control Board" is hereby established.

Board
established

(2) The Board shall be composed of not fewer than seven and not more than nine members appointed by the Lieutenant Governor in Council from among representatives of labour, consumer and other citizens' groups.

Composition

3. The Lieutenant Governor in Council may designate one of the members to be chairman of the Board.

Chairman

4. Five members of the Board constitute a quorum.

Quorum

5. The Lieutenant Governor in Council may fill any vacancy among the members of the Board.

Vacancies

6. Subject to the provisions of *The Statutory Powers Procedure Act, 1971*, the Board may determine its own procedure for the conduct of hearings.

Procedure
1971, c. 47

7. The objects of the Board are and it has power,

Objects
and
powers

(a) to fix rates applicable to automobile insurance generally and specifically between classifications;

(b) to approve automobile insurance rate increases; and

(c) to conduct public hearings with respect to applications by insurance companies for rate increases.

Decision
final

8. A decision of the Board under section 7 is final and not subject to appeal.

Annual
report

9. The Board shall make a report annually to the Minister who shall submit the report to the Lieutenant Governor in Council and shall then lay the report before the Assembly if it is in session or, if not, at the next ensuing session.

Commence-
ment

10. This Act comes into force on the day it receives Royal Assent.

Short title

11. The short title of this Act is *The Automobile Insurance Rate Control Act, 1981*.

An Act to establish The
Automobile Insurance Rate Control Board

1st Reading

April 28th, 1981

2nd Reading

3rd Reading

MR. SWART

(Private Member's Bill)

135W
B
-B56

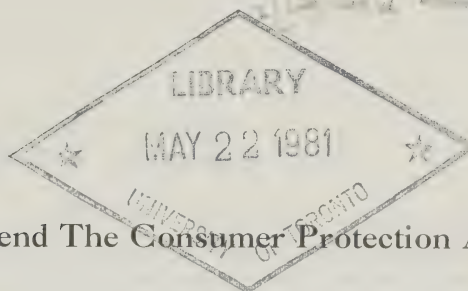
Government
Publications

2
1

BILL 26

Private Member's Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981



An Act to amend The Consumer Protection Act

MR. SWART

EXPLANATORY NOTE

The purpose of the Bill is to require that every product offered for sale bearing a product code must also be marked with its purchase price. The Bill prohibits increases in the purchase price of a product above the price initially marked on it by the retailer. The Bill also provides that if the price marked on the product differs from the price associated with the product code, the purchase price of the product is the lower of the two prices.

BILL 26

1981

An Act to amend The Consumer Protection Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. *The Consumer Protection Act*, being chapter 82 of the Revised Statutes of Ontario, 1970, is amended by adding thereto the following section: s. 47a,
enacted

47a.—(1) In this section,

Interpre-
tation

- (a) “product” means an item of goods and includes a wrapper or container of goods;
- (b) “product code” means a marking on a product designed to be read by a computer device for the purpose of identifying the product and includes the universal product code;
- (c) “retail seller” means a person who offers a product for sale but not for resale.

(2) No retail seller shall offer for sale a product that is marked with a product code unless the purchase price of the product is clearly and legibly marked on the product. Purchase
price
marking
required

(3) No retail seller shall, at any time after a product is offered for sale, increase the purchase price of the product to a price higher than the purchase price initially marked on the product. Alteration of
purchase
price

(4) Where the purchase price marked on a product differs from the purchase price identified by a computer device, the purchase price of the product shall be the lower of the two prices. Purchase
price lower
of two
prices

2. This Act comes into force on the day it receives Royal Assent. Commence-
ment
3. The short title of this Act is *The Consumer Protection Amendment Act, 1981*. Short title

An Act to amend
The Consumer Protection Act

1st Reading

April 28th, 1981

2nd Reading

3rd Reading

MR. SWART

(Private Member's Bill)

6
BILL 27

Private Member's Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to provide a Referendum Procedure for Ontario

MR. REID



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTE

The purpose of the Bill is to provide a procedure for the Assembly to direct the holding of a referendum in Ontario. The Assembly may, by resolution, prescribe any question as the subject-matter of a referendum and may establish the referendum on a province-wide or regional basis. The Bill provides procedures for members to bring a proposal for a referendum before the Assembly, either by a motion in the Assembly or upon petition to the Standing Committee on the Administration of Justice. The procedures under *The Election Act* regarding the holding of elections apply with necessary modifications to a referendum.

BILL 27

1981

An Act to provide a Referendum Procedure for Ontario

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. In this Act, “voter” means a person entitled to vote in an election held under *The Election Act*. Interpre-
tation
R.S.O. 1970,
c. 142

2. A referendum of the voters of the Province of Ontario or of the voters in a region of the Province of Ontario may be held for an expression of their opinion about a question determined in accordance with section 3. Referendum

3.—(1) On a motion of any member of the Assembly, the Assembly may, by resolution, prescribe a question to be submitted to the voters. Referendum
motion

(2) A resolution prescribing a question to be submitted to voters in a region of the Province of Ontario shall contain a description of the region in which the referendum is to be held. Regional
referendum

4.—(1) Where ten members of the Assembly desire to have a question submitted to voters in the Province of Ontario or in a region of the Province of Ontario, the members may file a petition setting out the question and region, if necessary, with the chairman of the Standing Committee on the Administration of Justice. Petition
for
referendum

(2) Upon receipt of a petition for a referendum, the Committee shall consider the petition and shall recommend to the Assembly whether the question is of sufficient importance to warrant a referendum of the voters in the Province of Ontario or in a region of the Province of Ontario, and the chairman may make a motion under subsection 1 of section 3 that the Assembly prescribe a question to be submitted to the voters. Committee
consideration
of petition

5. At any time after the passing of a resolution for a referendum, the Lieutenant Governor in Council may fix the date for Date of
referendum

the holding of the referendum, which date when so fixed shall not be later than six months after the passing of the resolution.

Application
of
R.S.O. 1970,
c. 142

6. The provisions of *The Election Act* relating to the conduct of elections apply with necessary modifications to a referendum held under this Act.

Regulations

7. The Lieutenant Governor in Council may make regulations,

(a) prescribing the form of ballot to be used;

(b) respecting the general conduct of the holding of the referendum;

(c) respecting the duties, if any, of the Chief Election Officer with respect to the general conduct of the holding of the referendum;

(d) specifying the provisions of *The Election Act* that shall not apply to a referendum under this Act.

Commence-
ment

8. This Act comes into force on the day it receives Royal Assent.

Short title

9. The short title of this Act is *The Ontario Referendum Act, 1981*.

An Act to provide a
Referendum Procedure for Ontario

1st Reading

April 30th, 1981

2nd Reading

3rd Reading

MR. REID

(Private Member's Bill)

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend The Residential Tenancies Act, 1979

MR. PHILIP



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

An Act to provide a
Referendum Procedure for Ontario

1st Reading

April 30th, 1981

2nd Reading

3rd Reading

MR. REID

(Private Member's Bill)

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend The Residential Tenancies Act, 1979

MR. PHILIP



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTE

The purpose of the Bill is to amend the exemption provision in Part XI (Rent Review) of the Act in order to eliminate the exemption for buildings occupied after the 1st day of January, 1976.

BILL 28

1981

An Act to amend
The Residential Tenancies Act, 1979

HER MAJESTY, by and with the advice and consent of the
Legislative Assembly of the Province of Ontario, enacts as
follows:

1. Clause *c* of subsection 1 of section 134 of *The Residential Tenancies Act, 1979*, being chapter 78, is repealed. s. 134 (1) (c),
repealed
2. This Act comes into force on the day it receives Royal Assent. Commence-
ment
3. The short title of this Act is *The Residential Tenancies Amendment Act, 1981*. Short title

An Act to amend
The Residential Tenancies Act, 1979

1st Reading

April 30th, 1981

2nd Reading

3rd Reading

MR. PHILIP

(Private Member's Bill)

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend The Residential Tenancies Act, 1979

MR. PHILIP



EXPLANATORY NOTE

The purpose of the Bill is to require that the Appeal Commissioners under *The Residential Tenancies Act, 1979* consist of an equal number of representatives of landlords and tenants.

BILL 29

1981

**An Act to amend
The Residential Tenancies Act, 1979**

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 76 of *The Residential Tenancies Act, 1979*, being chapter s. 76, re-enacted 78, is repealed and the following substituted therefor:

76.—(1) The Lieutenant Governor in Council shall appoint as Appeal Commissioners Appeal Commissioners a chairman, one or more vice-chairmen and as many other persons equal in number representative of landlords and tenants as the Lieutenant Governor in Council considers appropriate.

(2) The chairman or a vice-chairman, one member representative of landlords and one member representative of tenants constitute a quorum of the Appeal Commissioners. Quorum

2. This Act comes into force on the day it receives Royal Assent. Commencement
3. The short title of this Act is *The Residential Tenancies Amendment Act, 1981*. Short title

An Act to amend
The Residential Tenancies Act, 1979

1st Reading

April 30th, 1981

2nd Reading

3rd Reading

MR. PHILIP

(Private Member's Bill)

BILL 30

Private Member's Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend The Residential Tenancies Act, 1979

MR. PHILIP



EXPLANATORY NOTE

The purpose of the Bill is to provide authority to the Residential Tenancy Commission to order a reduction in the rent charged by a landlord where the landlord's financing costs are reduced as a result of lower interest rates.

BILL 30

1981

**An Act to amend
The Residential Tenancies Act, 1979**

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

- 1.** Section 131 of *The Residential Tenancies Act, 1979*, being chapter 78, is amended by adding thereto the following subsection: s. 131,
amended

(2a) Where the Commission determines that all or part of a rent increase is justified by increased financing costs caused by an increase in the prime interest rate, the Commission shall, on its own motion, review the rent increase and financing costs on an annual basis and where the Commission determines in a subsequent year that the financing costs have been reduced as a result of a reduction in the prime interest rate, the Commission shall order a reduction of the rent by an amount that is attributable to the reduced financing costs. Reduction
of financing
costs

- 2.** This Act comes into force on the day it receives Royal Assent. Commence-
ment
- 3.** The short title of this Act is *The Residential Tenancies Amendment Act, 1981*. Short title

An Act to amend
The Residential Tenancies Act, 1979

1st Reading

April 30th, 1981

2nd Reading

3rd Reading

MR. PHILIP

(Private Member's Bill)

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to acquire the Assets of Inco Limited

MR. MARTEL



EXPLANATORY NOTE

The purpose of the Bill is to vest the title and control of the assets situate in Ontario of Inco Limited in a Crown corporation, The Ontario Nickel Corporation. If compensation cannot be agreed upon, provision is made for arbitration. The objects of The Ontario Nickel Corporation include the task of operating and maintaining the assets of Inco Limited so as to provide employment and other economic benefits to the Province of Ontario.

BILL 31

1981

An Act to acquire the Assets of Inco Limited

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. In this Act, "Corporation" means The Ontario Nickel Corporation. Interpretation

2.—(1) There is hereby established, on behalf of Her Majesty in right of Ontario, a corporation without share capital under the name of "The Ontario Nickel Corporation". The Ontario Nickel Corporation established

(2) There shall be a Board of Directors of the Corporation consisting of such members as may be appointed by the Lieutenant Governor in Council. Board of Directors

(3) The Lieutenant Governor in Council shall designate one of the directors as chairman of the Board. Chairman

(4) The Corporation shall have a seal which shall be adopted by resolution or by-law. Seal

3.—(1) The affairs of the Corporation are under the management and control of the Board of Directors. Management

(2) The chairman shall preside at all meetings of the Board and, in his absence, one of the directors present thereat who is chosen so to act by the directors present shall preside and has and may exercise the powers of the chairman. Chairman to preside

(3) A majority of the directors constitutes a quorum for the transaction of business at meetings of the Board. Quorum

(4) The Board may make by-laws regulating its proceedings and generally for the conduct and management of the affairs of the Corporation. By-laws

Powers
of
Board
R.S.O. 1970,
c. 89

4. The Board of Directors has such powers as are necessary for the purpose of carrying out its objects including the powers set out in sections 304 and 305 of *The Corporations Act* and section 24 of that Act, except clauses *m*, *p*, *q*, *r*, *s*, *t*, *u* and *v* of subsection 1, but otherwise *The Corporations Act* does not apply to the Corporation.

Objects

5. The objects of the Corporation are to,

- (a) take possession of the property, both real and personal, and the works and undertakings of Inco Limited and its subsidiaries situated in the Province of Ontario; and
- (b) create, develop and increase income, employment, and other economic benefits to the Province by operating and maintaining, or by encouraging and assisting in the establishment, expansion and continued operation and maintenance of the property, works and undertakings acquired and possessed under this Act,

Head office

6. The head office of the Corporation shall be in The Regional Municipality of Sudbury.

Assets of
Inco vest
in the
Corporation

7. All assets, including all real and personal property, works and undertakings, of Inco Limited and its subsidiaries situated in Ontario are hereby vested in The Ontario Nickel Corporation and the Corporation is hereby entitled to the possession, management and control of the said assets.

Notice of
arbitration

8.—(1) If agreement for compensation for the assets of Inco Limited vested in the Corporation by section 7 is not reached within thirty days from the date this Act comes into force, either party may serve notice of arbitration upon the other and upon the Land Compensation Board, as constituted under *The Expropriations Act*, stating that it requires that the compensation payable be determined by arbitration.

Idem

(2) The notice of arbitration referred to in subsection 1 shall be deemed to be a notice under clause *b* of section 26 of *The Expropriations Act* and, upon service of the notice, the practice and procedure under *The Expropriations Act* shall apply to the arbitration under this Act.

Application
of R.S.O.
1970, c. 154

9.—(1) Sections 29, 30, 31, 32, 33 and 34 of *The Expropriations Act* apply to the taking of the assets referred to in section 7 in the same manner as if they were land.

(2) Compensation for the assets referred to in section 7 ^{Idem} is to be determined in accordance with sections 13, 14, 16, 17, subsection 2 of section 19 and section 20 of *The Expropriations Act* in the same manner as if they were land. ^{R.S.O. 1970, c. 154}

(3) For the purposes of an arbitration under this Act, a reference to "expropriating authority" and to "statutory authority" in *The Expropriations Act* is a reference to the Corporation. ^{Interpretation}

10. The compensation payable as a result of this Act ^{Compensation} stands in place of the assets of Inco Limited vested in the Corporation under section 7 and any claim to or encumbrance on the assets is deemed to be a claim to or an encumbrance on the compensation payable and not a claim or encumbrance on the assets.

11. *The Bulk Sales Act* does not apply to the transfer of ^{R.S.O. 1970, c. 52} assets provided for in this Act. ^{does not apply}

12. The Corporation shall, after the close of each fiscal year, deliver to the Minister of Natural Resources an annual report upon the affairs of the Corporation, and the Minister shall submit the report to the Lieutenant Governor in Council and shall then lay the report before the Assembly if it is in session or, if not, at the next ensuing session. ^{Annual report}

13. This Act comes into force on the day it receives Royal Assent. ^{Commencement}

14. The short title of this Act is *The Inco Limited Acquisition Act, 1981*. ^{Short title}

An Act to acquire the
Assets of Inco Limited

1st Reading

April 30th, 1981

2nd Reading

3rd Reading

MR. MARTEL

(Private Member's Bill)

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

**An Act to amend
The Employment Standards Act, 1974**

MR. MACKENZIE



EXPLANATORY NOTE

The purpose of this Bill is to establish a standard relating to the installation and operation of electronic surveillance systems in places of employment. The Bill permits the installation of these systems only where it is reasonably necessary for the protection of the health or safety of employees. The onus of establishing that the installation and operation of a surveillance system is reasonably necessary for this purpose is placed upon the employer.

BILL 32

1981

**An Act to amend
The Employment Standards Act, 1974**

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. *The Employment Standards Act, 1974*, being chapter 112, is <sup>s. 15a,
enacted</sup> amended by adding thereto the following section.

15a. No employer shall install or operate an electronic <sup>Electronic
surveillance</sup> surveillance device or system in a place of employment to record or monitor the work and other activities of his employees unless the installation and operation of such device or system is reasonably necessary, the proof of which lies upon the employer, for the protection of the health and safety of the employees.

2. This Act comes into force on the day it receives Royal Assent. <sup>Commence-
ment</sup>
3. The short title of this Act is *The Employment Standards Amend- Short title
ment Act, 1981*.

An Act to amend
The Employment Standards Act, 1974

1st Reading

May 1st, 1981

2nd Reading

3rd Reading

MR. MACKENZIE

(Private Member's Bill)

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend
The Employment Standards Act, 1974

MR. MACKENZIE

EXPLANATORY NOTE

The purpose of the Bill is to require an employer to provide a leave of absence to any employee who has been elected to provincial or municipal office so that the employee may be able to carry out the duties of an elected official.

BILL 33

1981

An Act to amend The Employment Standards Act, 1974

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. *The Employment Standards Act, 1974*, being chapter 112, is amended by adding thereto the following Part: Part XI-A
(ss. 39a-39d),
enacted

PART XI-A

ELECTED OFFICIAL LEAVE

39a. No employer shall terminate the employment of or lay-off an employee who is entitled to a leave of absence under this Part by reason of that employee being an elected official. Elected
official
leave

39b.—(1) An employee who has been elected to the Legislative Assembly or to a municipal public office and who has been employed by the employer for a period of three months preceding the date of the election shall be entitled upon application therefor to a leave of absence for the purpose of carrying out his duties as an elected official. When leave
to be taken

(2) A leave of absence under this Part may be for a continuous period consisting of the whole or a part of the term of office to which the person was elected or for such intermittent periods of time during the day or week as the employee may feel is necessary to fulfil his duties as an elected official. Duration
of leave

(3) Where a leave of absence is for a continuous period, the employee shall give the employer two weeks notice in writing of the day upon which the employee intends to commence the leave and shall set out in this notice the estimated duration of the leave. Notice

- | | |
|---|--|
| Idem | (4) Where a leave of absence is for intermittent periods, the employee shall give to the employer notice in writing prior to commencing the leave of regular periods of time during the day or week that the employee intends to be on leave, but the employee is entitled to a leave of absence at other times where such leave is necessary for the employee to fulfil his duties as an elected official. |
| Preservation of seniority | 39c.—(1) An employee who intends to resume full-time employment upon ceasing to be an elected official shall so advise the employer, and, upon returning to work, the employer shall reinstate or continue the employee in his position or provide alternative work of a comparable nature at not less than the wages of the employee at the time the leave of absence began and without loss of seniority or benefits accrued to the expiration of the term of office other than seniority or benefits accrued during the times that the employee was on leave. |
| Idem | (2) Where the employer has suspended or discontinued operations during the leave of absence of the employee and has not resumed operations upon the expiry thereof, the employer shall, upon resumption of operations, reinstate the employee to his employment or to alternate work in accordance with an established seniority system or practice of the employer in existence at the time the leave of absence began with no loss of seniority or benefits accrued to the commencement of the leave of absence, and in the absence of such a system or practice shall reinstate the employee in accordance with subsection 1. |
| Employment standards officer may make order | 39d. Where an employer fails to comply with the provisions of this Part, an employment standards officer may order what action, if any, the employer shall take or what he shall refrain from doing in order to constitute compliance with this Part and may order what compensation shall be paid by the employer to the Director, in trust, for the employee. |
| Commencement | 2. This Act comes into force on the day it receives Royal Assent. |
| Short title | 3. The short title of this Act is <i>The Employment Standards Amendment Act, 1981</i> . |



An Act to amend
The Employment Standards
Act, 1974

1st Reading

May 1st, 1981

2nd Reading

3rd Reading

MR. MACKENZIE

(Private Member's Bill)

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

**An Act to amend
The Employment Standards Act, 1974**

MR. MACKENZIE



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTE

The purpose of the Bill is to extend the application of Part XII of *The Employment Standards Act, 1974* to employees who are employed for a definite term or task and to persons who are laid off or terminated during or as a result of a strike or lock-out at his place of employment.

BILL 34

1981

**An Act to amend
The Employment Standards Act, 1974**

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Clause *a* of subsection 3 of section 40 of *The Employment Standards Act, 1974*, being chapter 112, is repealed. s. 40 (3) (a),
repealed
2. Notwithstanding clause *d* of section 2 of Regulation 251 of Revised Regulations of Ontario, 1970, it is hereby declared that Part XII of *The Employment Standards Act, 1974* applies to a person who is laid off or terminated during or as a result of a strike or lock-out at his place of employment. Declaration re
R.R.O. 1970,
Reg. 251,
s. 2 (d)
3. This Act comes into force on the day it receives Royal Assent. Commence-
ment
4. The short title of this Act is *The Employment Standards Amendment Act, 1981*. Short title

BILL 34

An Act to amend
The Employment Standards Act, 1974

1st Reading

May 1st, 1981

2nd Reading

3rd Reading

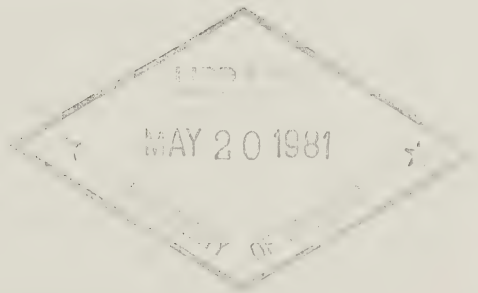
MR. MACKENZIE

(Private Member's Bill)

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend The Employment Standards Act, 1974

MR. MACKENZIE



EXPLANATORY NOTE

The purpose of the Bill is to protect the employment of an employee who attempts to enforce the provisions of this or any other Act or who testifies or otherwise participates in a proceeding or hearing under this or any other Act or before a court of law.

BILL 35

1981

**An Act to amend
The Employment Standards Act, 1974**

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. *The Employment Standards Act, 1974*, being chapter 112, is ^{s. 9a, enacted} amended by adding thereto the following section:

9a. No employer shall,

No discipline,
dismissal, etc.,
by employer

- (a) dismiss or threaten to dismiss an employee;
- (b) discipline or suspend an employee;
- (c) impose any penalty upon an employee; or
- (d) intimidate or coerce an employee,

because the employee,

- (e) has sought the enforcement of this or any other Act or regulations made thereunder;
- (f) has given information to an employment standards officer;
- (g) has participated in or is about to participate in a proceeding or hearing under this or any other Act or before a court of law;
- (h) testifies or is about to testify in a proceeding or hearing under this or any other Act or before a court of law.

- 2.—(1) Subsection 1 of section 57 of the said Act is repealed.

s. 57 (1),
repealed

s. 57 (2),
amended

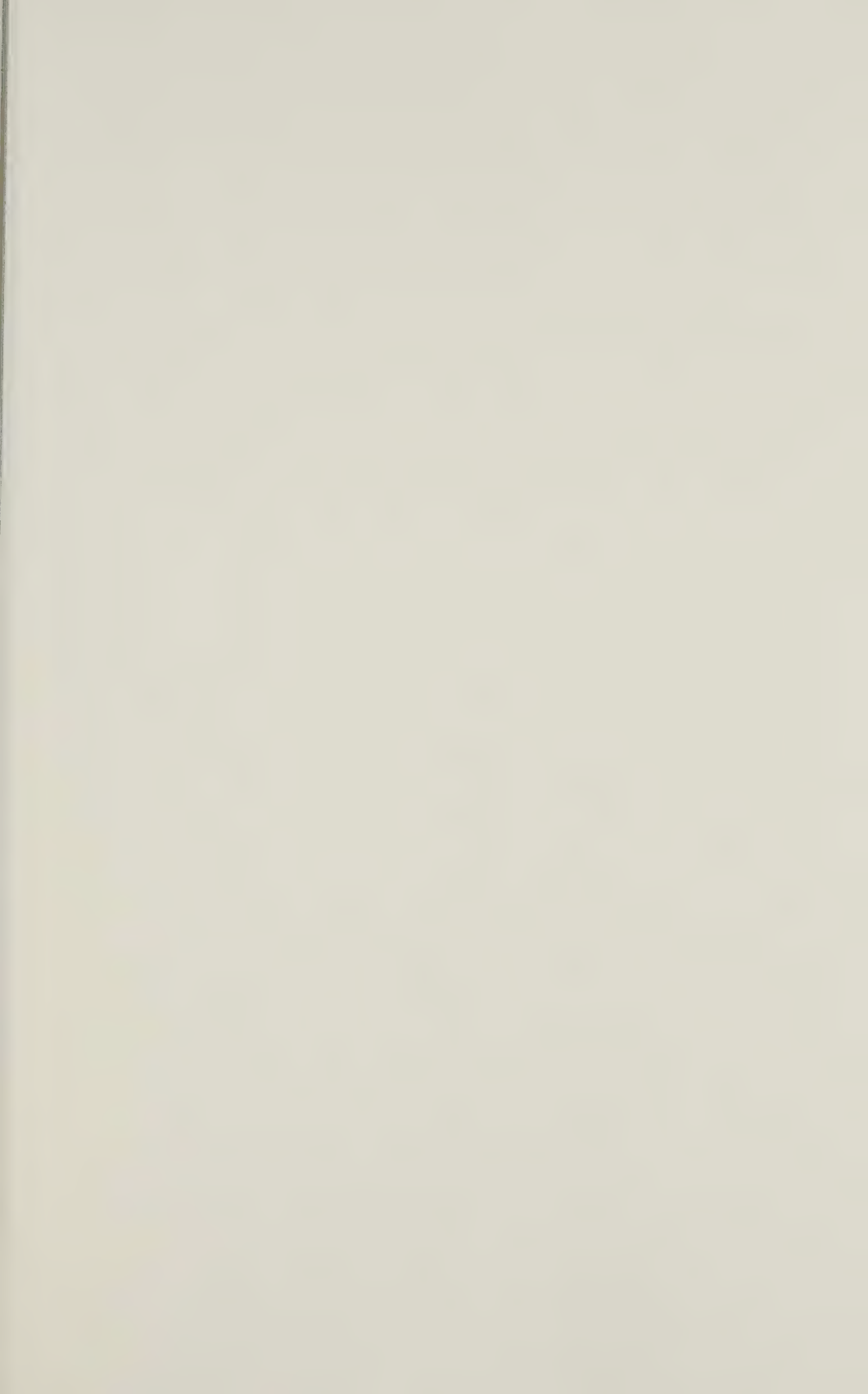
- (2) Subsection 2 of the said section 57 is amended by striking out "subsection 1" in the second line and inserting in lieu thereof "section 9a".

Commence-
ment

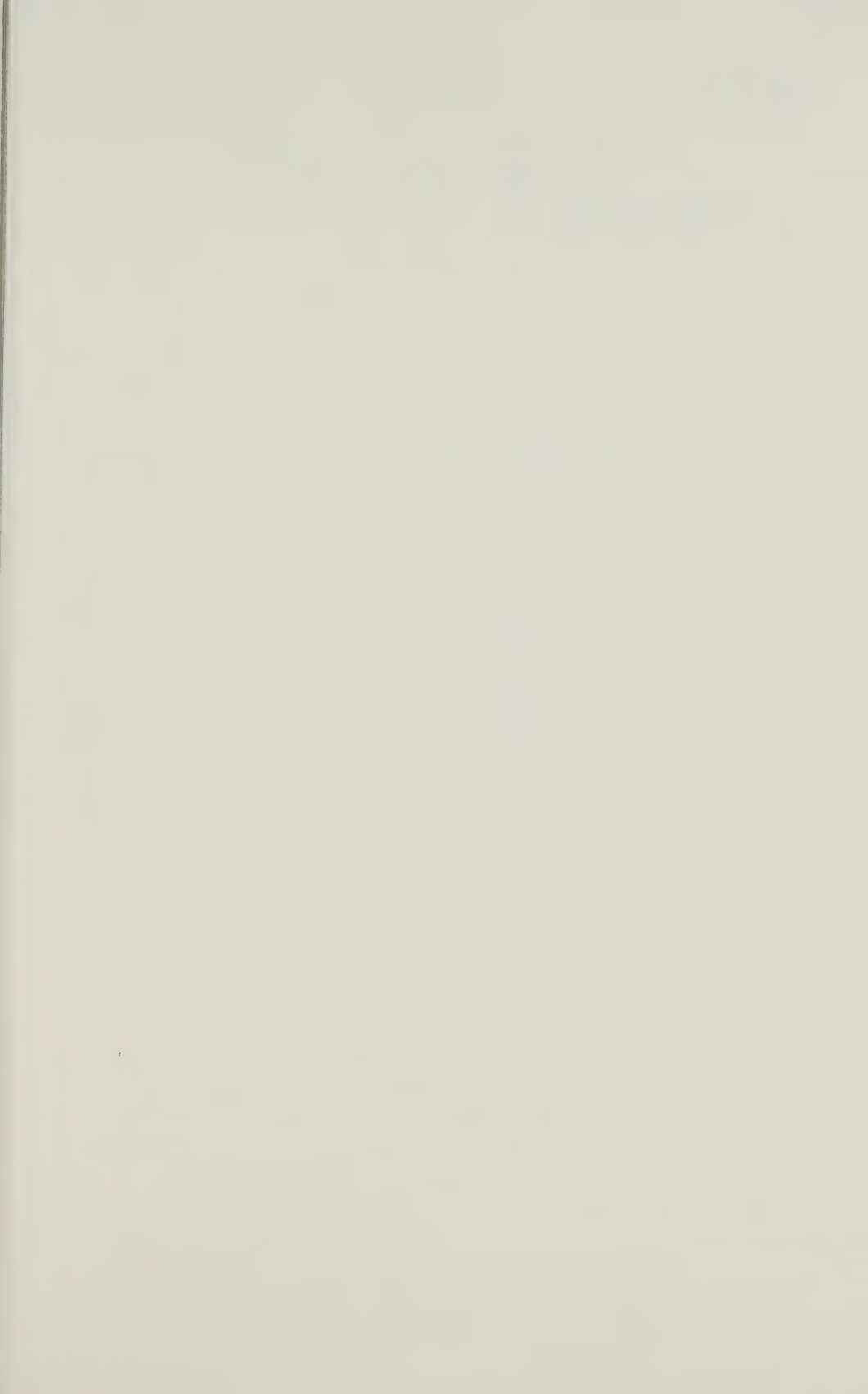
- 3.** This Act comes into force on the day it receives Royal Assent.

Short title

- 4.** The short title of this Act is *The Employment Standards Amendment Act, 1981*.







An Act to amend
The Employment Standards
Act, 1974

1st Reading

May 1st, 1981

2nd Reading

3rd Reading

MR. MACKENZIE

(Private Member's Bill)

BILL 36

Private Member's Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend The Employment Standards Act, 1974

MR. MACKENZIE



EXPLANATORY NOTE

The purpose of the Bill is to extend the application of the whole Act to the Crown. Currently, Parts IX, X, XI and XII of the Act apply to the Crown.

BILL 36

1981

**An Act to amend
The Employment Standards Act, 1974**

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsection 1 of section 2 of *The Employment Standards Act, 1974*,<sup>s. 2 (1),
re-enacted</sup> being chapter 112, is repealed and the following substituted therefor:

(1) This Act applies to the Crown, every agency thereof and any board, commission, authority or corporation that exercises any functions assigned or delegated to it by the Crown.<sup>Application
of Act</sup>
2. This Act comes into force on the day it receives Royal Assent.<sup>Commence-
ment</sup>
3. The short title of this Act is *The Employment Standards Amendment Act, 1981*.^{Short title}

BILL 36

An Act to amend
The Employment Standards Act, 1974

1st Reading

May 1st, 1981

2nd Reading

3rd Reading

MR. MACKENZIE

(Private Member's Bill)

BILL 37

Private Member's Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend
The Employment Standards Act, 1974

MR. MACKENZIE



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTES

The purpose of the Bill is to reduce the standard work week from forty-eight hours to forty hours and to require employers to pay overtime rates for work done in excess of forty hours per week rather than forty-four hours.

The sections of the Act as amended by this Bill are set out below with the amended portions shown underlined.

SECTION 1. Subsection 2 of section 11, as amended, would read as follows:

- (2) Subclause iii of clause a of subsection 1 does not apply in respect of the salaried employees of an employer who perform work of a clerical or administrative nature where the employer makes and keeps a record showing the number of hours worked by such employees in excess of eight hours a day and forty hours a week.

SECTION 2. Section 17, as amended, would read as follows:

17. Except as otherwise provided in this Part, and subject to any schedule in force under The Industrial Standards Act, the hours of work of an employee shall not exceed eight in the day and forty in the week.

SECTION 3. Section 18, as amended, would read as follows:

18. An employer may, with the approval of the Director, and upon such terms and conditions as the Director prescribes, adopt a regular day of work in excess of eight hours but not in excess of twelve hours, provided that the total hours of work of each employee shall not exceed forty hours in a week.

SECTION 4. Subsection 3 of section 20, as amended, would read as follows:

- (3) The issuance of a permit under this section does not require an employee to work any hours in excess of those prescribed by section 17 or approved under section 18 without the consent or agreement of the employee or his agent to hours in excess of eight in the day or forty in the week.

SECTION 5. Subsection 1 of section 25, as amended, would read as follows:

- (1) Except as otherwise provided in the regulations, where an employee works for an employer in excess of forty hours in any week, he shall be paid for each hour worked in excess of forty hours overtime pay at an amount not less than one and one-half times the regular rate of the employee.

BILL 37

1981

An Act to amend The Employment Standards Act, 1974

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsection 2 of section 11 of *The Employment Standards Act, 1974*, being chapter 112, is amended by striking out "forty-four" in the sixth line and inserting in lieu thereof "forty". s. 11 (2),
amended
2. Section 17 of the said Act is amended by striking out "forty-eight" in the fourth line and inserting in lieu thereof "forty". s. 17,
amended
3. Section 18 of the said Act is amended by striking out "forty-eight" in the fifth line and inserting in lieu thereof "forty". s. 18,
amended
4. Subsection 3 of section 20 of the said Act is amended by striking out "forty-eight" in the fifth line and inserting in lieu thereof "forty". s. 20 (3),
amended
5. Subsection 1 of section 25 of the said Act is amended by striking out "forty-four" in the third line and in the fourth line and inserting in lieu thereof in each instance "forty". s. 25 (1),
amended
6. This Act comes into force on the day it receives Royal Assent. Commence-
ment
7. The short title of this Act is *The Employment Standards Amendment Act, 1981*. Short title

BILL 37

An Act to amend
The Employment Standards Act, 1974

1st Reading

May 1st, 1981

2nd Reading

3rd Reading

MR. MACKENZIE

(Private Member's Bill)

BILL 38

Private Member's Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend
The Employment Standards Act, 1974

MR. MACKENZIE



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTE

The purpose of the Bill is to ensure that no employee engaged in the preparation or service of food in a tavern, restaurant, hotel, motel or tourist resort be required, as a term or condition of employment, to work while nude or partially nude.

BILL 38

1981

**An Act to amend
The Employment Standards Act, 1974**

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. *The Employment Standards Act, 1974*, being chapter 112, is s. 15a,
enacted amended by adding thereto the following section:

15a.—(1) No employer shall require as a term or condition of employment that a person engaged in the preparation or service of food or drink in a tavern, restaurant, hotel, motel or tourist resort be nude or partially nude while so engaged. No employer
to require
nudity

(2) In subsection 1, a person is partially nude when the person is dressed in such a manner that one or more parts of the body that are usually clothed in public are visibly exposed to public view. Interpre-
tation

2. This Act comes into force on the day it receives Royal Assent. Commence-
ment
3. The short title of this Act is *The Employment Standards Amend- Short title
ment Act, 1981*.

BILL 38

An Act to amend
The Employment Standards Act, 1974

1st Reading

May 1st, 1981

2nd Reading

3rd Reading

MR. MACKENZIE

(Private Member's Bill)

BILL 39

Private Member's Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend The Employment Standards Act, 1974

MR. MACKENZIE



EXPLANATORY NOTE

The purpose of the Bill is to extend the time for giving notice where the employment of an employee is about to be terminated. Where fifty or more employees are to be affected by a termination, a notice period of twenty-six weeks is required. The notice periods also apply in cases of extended lay-offs.

BILL 39

1981

An Act to amend The Employment Standards Act, 1974

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsections 1 and 2 of section 40 of *The Employment Standards Act, 1974*, being chapter 112, are repealed and the following substituted therefor: s. 40 (1, 2),
re-enacted

(1) In this Part, an employer shall be deemed to have terminated the employment of an employee when the employee has been laid off from his employment for a period of more than thirteen weeks in any period of more than twenty weeks. Lay-off
deemed
to be
termination

(1a) No employer shall terminate the employment of an employee who has been employed for three months or more unless he gives, Notice of
termination

- (a) four weeks notice in writing to the employee if his period of employment is less than two years;
- (b) eight weeks notice in writing to the employee if his period of employment is two years or more but less than five years;
- (c) sixteen weeks notice in writing to the employee if his period of employment is five years or more but less than ten years; and
- (d) twenty-six weeks notice in writing to the employee if his period of employment is ten years or more.

(2) Notwithstanding subsection 1, no employer shall terminate the employment of fifty or more employees in any period of four weeks or less unless he gives twenty-six weeks notice in writing to each employee and such notice has expired. Idem

Commence-
ment

2. This Act comes into force on the day it receives Royal Assent.

Short title

3. The short title of this Act is *The Employment Standards Amendment Act, 1981*.

An Act to amend
The Employment Standards Act, 1974

1st Reading

May 1st, 1981

2nd Reading

3rd Reading

MR. MACKENZIE

(Private Member's Bill)

BILL 40

Private Member's Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend The Employment Standards Act, 1974

MR. MACKENZIE



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTES

SECTION 1. The proposed new section 29 increases the vacation period to which an employee is entitled under the Act. Currently, the Act provides a two week vacation period for each employee that does not vary with the amount of employment service.

SECTION 2. The proposed amendment is complementary to section 1 of the Bill. Subsection 1 of section 30 of the Act as it currently reads is set out below with the amended portions underlined.

- (1) *The employer shall determine the period when an employee may take the vacation to which he is entitled under section 29, which may be a two week period or two periods of one week each, but in any case the employee shall be given his vacation not later than ten months after the end of the twelve month period for which the vacation was given.*

SECTION 3. The proposed amendment is complementary to section 1 of the Bill. Section 31 of the Act as it currently reads is set out below with the amended portions underlined.

31. *Where the employment of an employee ceases before the completion of a twelve month period of employment or the employee has not been given a vacation with pay pursuant to section 29, the employer shall pay to the employee an amount equal to 4 per cent of the wages of the employee in any twelve month period or periods or part thereof and in calculating wages no account shall be taken of any vacation pay previously paid.*

BILL 40

1981

An Act to amend The Employment Standards Act, 1974

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 29 of *The Employment Standards Act, 1974*, being chapter 112, is repealed and the following substituted therefor: s. 29,
re-enacted

29.—(1) Every employer shall give to each employee a vacation with pay of at least, Vacations

- (a) two weeks in each year upon the completion of twelve months of employment;
- (b) three weeks in each year upon the completion of sixty months of employment; and
- (c) four weeks in each year upon the completion of 120 months of employment.

(2) The amount of pay for a vacation shall be not less than an amount equal to 2 per cent of the annual wages of the employee for each week of vacation to which the employee is entitled under subsection 1 and in calculating wages no account shall be taken of any vacation pay previously paid. Idem

2. Subsection 1 of section 30 of the said Act is repealed and the following substituted therefor: s. 30 (1),
re-enacted

(1) The employer shall determine the period when an employee may take the vacation to which he is entitled under section 29, which may be a consecutive period or periods of one week each, but in any case the employee shall be given his vacation not later than six months after the end of the twelve month period for which the vacation was given. When
vacation
to be taken

3. Section 31 of the said Act is repealed and the following substituted therefor: s. 31,
re-enacted

Vacation
pay

31. Where the employment of an employee ceases before the completion of a twelve month period of employment or the employee has not been given a vacation with pay pursuant to section 29, the employer shall pay to the employee an amount equal to 2 per cent of the annual wages of the employee for each week of vacation to which the employee is entitled under section 29, and in calculating wages no account shall be taken of any vacation pay previously paid.

Commence-
ment

4. This Act comes into force on the day it receives Royal Assent.

Short title

5. The short title of this Act is *The Employment Standards Amendment Act, 1981*.

An Act to amend
The Employment Standards Act, 1974

1st Reading

May 1st, 1981

2nd Reading

3rd Reading

MR. MACKENZIE

(Private Member's Bill)

BILL 41

Private Member's Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend The Employment Standards Act, 1974

MR. MACKENZIE



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTE

The purpose of this Bill is to prohibit employees from interfering with the payment of tips and gratuities to waiters and waitresses.

BILL 41

1981

**An Act to amend
The Employment Standards Act, 1974**

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. *The Employment Standards Act, 1974*, being chapter 112, is amended by adding thereto the following section: s. 7a,
enacted

7a. No employer shall require that any portion of the tips or other gratuities paid to an employee by customers for service provided by the employee as a waiter or waitress be paid to any other employee in the establishment. Tips,
gratuities
2. This Act comes into force on the day it receives Royal Assent. Commence-
ment
3. The short title of this Act is *The Employment Standards Amendment Act, 1981*. Short title

BILL 41

An Act to amend
The Employment Standards Act, 1974

1st Reading

May 1st, 1981

2nd Reading

3rd Reading

MR. MACKENZIE

(Private Member's Bill)

BILL 42

Private Member's Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend
The Crown Employees Collective Bargaining Act, 1972

MR. MACKENZIE



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTES

The purpose of the Bill is to repeal certain provisions of *The Crown Employees Collective Bargaining Act, 1972* that restrict the composition of collective agreements negotiated under the Act.

SECTION 1. Section 13, as it now reads, is set out below:

- 13. No collective agreement or decision of a board shall contain any term which would require either directly or indirectly for its implementation the enactment or amendment of legislation except for the purpose of appropriating moneys for its implementation.*

SECTION 2. Subsection 3 of section 15, as it now reads, is set out below:

- (3) No collective agreement shall contain a provision which would require, as a condition of employment, membership in the employee organization.*

SECTION 3. Subsection 1 of section 17, as it now reads, is set out below:

- (1) Every collective agreement shall be deemed to provide that it is the exclusive function of the employer to manage, which function, without limiting the generality of the foregoing, includes the right to determine,*
- (a) employment, appointment, complement, organization, assignment, discipline, dismissal, suspension, work methods and procedures, kinds and locations of equipment and classification of positions; and*
 - (b) merit system, training and development, appraisal and superannuation, the governing principles of which are subject to review by the employer with the bargaining agent,*

and such matters will not be the subject of collective bargaining nor come within the jurisdiction of a board.

BILL 42

1981

**An Act to amend The Crown Employees
Collective Bargaining Act, 1972**

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 13 of *The Crown Employees Collective Bargaining Act, 1972*, being chapter 67, is repealed. s. 13,
repealed
2. Subsection 3 of section 15 of the said Act is repealed. s. 15 (3),
repealed.
3. Subsection 1 of section 17 of the said Act, as re-enacted by the Statutes of Ontario, 1974, chapter 135, section 9, is repealed. s. 17 (1),
repealed
4. This Act comes into force on the day it receives Royal Assent. Commence-
ment
5. The short title of this Act is '*The Crown Employees Collective Bargaining Amendment Act, 1981*'. Short title

An Act to amend
The Crown Employees Collective
Bargaining Act, 1972

1st Reading

May 1st, 1981

2nd Reading

3rd Reading

MR. MACKENZIE

(Private Member's Bill)

BILL 43

Private Member's Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

**An Act to provide
Political Rights for Public Servants**

MR. MACKENZIE



EXPLANATORY NOTE

This Bill is designed to give public servants the same political rights that all other citizens enjoy in Ontario. It covers civil servants, crown employees, employees of community colleges, and people working for agencies such as Ontario Hydro, the Workmen's Compensation Board, and the Ontario Northland Transportation Commission, but excludes Deputy Ministers, officers of similar status in Crown agencies, and other senior policy-making officials.

The deleted sections of *The Public Service Act* make it illegal for a public servant to canvass on behalf of a candidate in an election, to solicit funds for a political party or a candidate at any time, or to speak or to write a letter to the editor on "any matter that forms part of the platform of a provincial or federal political party". A public servant may only become a candidate for election after the writs are issued and is effectively barred from being a candidate if a nomination is held before that date. The candidate must take leave of absence without pay for a period of 4 to 5 weeks.

The Bill provides that public servants will be able to write, speak, contribute, solicit funds, work, join, hold office, and vote on behalf of, in, for, or to a political party or candidate in a federal or provincial election and protects public servants from punitive action by their superiors or from being forced to carry out partisan duties as a condition of their employment.

The deleted section of *The Crown Employees Collective Bargaining Act, 1972* contains the sections which are re-enacted in the Bill and also prohibits an employee organization from receiving money from public employees who are its members for activities carried on by, or on behalf of a political party, from paying out money to, or on behalf of, the political party, or from otherwise supporting a political party. The penalty for these activities is loss of bargaining rights. The Bill will give an employee organization the rights enjoyed by other trade unions, prevents it from compelling an employee to engage in political activity, and provides for a wider range of penalties.

BILL 43

1981

An Act to provide Political Rights for Public Servants

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. In this Act,

Interpre-
tation

- (a) "agency" means any board, agency, or commission of the Crown in right of Ontario;
- (b) "public servant" means a person appointed in the service of the Crown by the Lieutenant Governor in Council, by the Civil Service Commission, or by a Minister, or a person employed in the service of the Crown or any agency of the Crown, but does not include any Deputy Minister or senior employee of the Crown or an agency with management or policy responsibilities;
- (c) "Tribunal" means the Ontario Public Service Labour Relations Tribunal as defined in section 1 of *The Crown Employees Collective Bargaining Act*, 1972, c. 67 1972.

2.—(1) Every public servant shall be entitled to exercise the following political rights, Political
rights

- (a) the right to vote;
- (b) the right to actively support a political party or a candidate for provincial or federal office;
- (c) the right to contribute to a political party at any time;
- (d) the right to solicit funds for a candidate or for a political party;

- (e) the right to be a member of a political party and to hold office in such party; and
- (f) the right to express views on matters that form part of the platform of a provincial or federal political party.

Idem

(2) The rights provided in subsection 1 are subject to the condition that,

- (a) the employee does not engage in political activities during working hours;
- (b) the employee does not associate his position in the service of the Crown with any political activity;
- (c) the employee does not speak in public or express views in writing for distribution to the public on any matter with which he is directly engaged in his employment with the Crown;
- (d) the employee respects his oath of office and secrecy, as provided under section 10 of *The Public Service Act*.

R.S.O. 1970,
c. 386

Partisan
work by
public
servants

3. No public servant shall be required by his employer to engage in work or activity of a partisan nature for a candidate or a political party either during or outside working hours and, notwithstanding the provisions of any other Act, refusal to perform such activities shall be a justifiable defence against any dismissal, transfer, or other disciplinary action.

Leave
of
absence

4. A public servant who proposes to become a candidate in a provincial or federal election shall inform his Minister or the chief officer of his agency, and,

- (a) may seek leave of absence without pay at any time after he is duly nominated by his party as its candidate; and
- (b) shall take leave of absence commencing on the day on which the writ for the election is issued or on the day on which he is nominated by his party, whichever date comes later; and
- (c) shall be granted leave with pay commencing on the day provided by statute for the nomination of candidates and ending on polling day,

and every such application shall be granted.

5. Where a public servant who is a candidate in a provincial or federal election is elected, he shall forthwith resign his position as a public servant. Resignation

6. Where a public servant who has resigned under section 5, Reappointment

(a) ceases to be an elected political representative within five years of his resignation; and

(b) applies for reappointment to his former position or to another position in the service of the Crown for which he is qualified, within three months of ceasing to be an elected political representative,

he shall be reappointed to the position upon its next becoming vacant.

7. Where a public servant has been granted leave of absence under section 4 and was not elected, or resigned his position under section 5 and was reappointed under section 6, the period of the leave of absence or resignation shall be computed in determining the length of his service for any purpose, and his service shall be deemed to be continuous for all purposes. Period of leave of absence

8. Every public servant who knowingly fails to comply with the requirements of this Act may be disciplined under the Act or regulation governing his employer. Disciplinary action

9.—(1) In this section, “employee organization” means an organization of employees formed for the purpose of regulating relations between the Crown in right of Ontario and public servants under this Act. Interpretation

(2) No employee organization shall discriminate against any employee because of age, sex, race, national origin, colour or religion. Prohibitions

(3) Where a public servant or the Crown in right of Ontario considers that an employee organization is in violation of section 9, a complaint may be lodged with the Tribunal, which shall conduct a public hearing to consider the matter and which may, Tribunal

(a) dismiss the complaint; or

(b) withdraw bargaining rights from the employee organization involved; or

(c) levy a fine; or

(d) take such other disciplinary action as it considers appropriate.

R.S.O. 1970,
c. 386, ss. 12-16,
repealed

10. Sections 12, 13, 14, 15 and 16 of *The Public Service Act*, being chapter 386 of the Revised Statutes of Ontario, 1970, are repealed.

1972, c. 67,
s. 1 (1) (*h*),
repealed

11. Clause *h* of subsection 1 of section 1 of *The Crown Employees Collective Bargaining Act, 1972*, being chapter 67 of the Statutes of Ontario, 1972, is repealed.

Short title

12. The short title of this Act is *The Public Servants Political Rights Act, 1981*.

An Act to provide
Political Rights for Public Servants

1st Reading

May 1st, 1981

2nd Reading

3rd Reading

MR. MACKENZIE

(Private Member's Bill)

BILL 44

Private Member's Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to provide for the Employment of
Disabled Persons

MR. MACKENZIE



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTE

The purpose of the Bill is to provide employment opportunities for disabled persons. The Bill requires that employers hire disabled persons to constitute at least 3 per cent of the employer's work force. The Bill permits the Minister to vary this percentage requirement in cases where the Minister considers another quota to be more suitable. In addition, the Minister may exempt an employer or class of employers from the operation of the statute. The Bill establishes a register of employable disabled persons to be maintained by the Ministry for the purpose of facilitating efforts by employers to meet the quota established by this Bill.

BILL 44

1981

An Act to provide for the Employment of Disabled Persons

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. In this Act,

Interpre-
tation

- (a) "disabled person" means any person suffering from a serious and prolonged physical disability;
- (b) "Minister" means the Minister of Labour;
- (c) "Ministry" means the Ministry of Labour;
- (d) "register" means the register of disabled persons established under section 4.

2.—(1) Every employer shall ensure that at any point in time the number of disabled persons who are employees of the employer is at least 3 per cent of the total number of employees of the employer.

Employment
of disabled
persons

(2) Notwithstanding subsection 1, the Minister may, by order, establish a quota for an employer or class of employers that is greater or less than the quota established under subsection 1 where the Minister is of the opinion that the quota established under subsection 1 is not suitable to that employer or class of employers.

Minister
may set
quota

3.—(1) No employer shall hire any person other than a disabled person if the number of disabled persons employed by the employer is less than the employer's quota established under section 2.

Prohibition

(2) Subsection 1 does not apply to an employer who hires a person,

Exception

(a) as a result of an agreement to reinstate the person entered into before the day on which this Act comes into force;

(b) in accordance with an order or permit issued by the Minister under section 5.

Register

4.—(1) The Ministry shall establish and maintain a register of disabled persons for the purpose of facilitating the hiring by employers of disabled persons and the register shall record the name, address, qualifications, skills and the nature of the disability of each person registered therein.

Disabled person entitled to be registered

(2) Upon application, a person is entitled to be registered by the Ministry as a disabled person for the purposes of this Act if,

(a) the person suffers from a physical disability that harms the person's prospects in obtaining employment; and

(b) the person is capable of performing work in one or more work situations without causing danger to other employees.

Exemption order

5. Upon application, the Minister may, by order,

(a) exempt an employer or class of employers from the operation of this Act;

(b) permit an employer to hire one or more persons who are not disabled persons for purposes set forth in the order.

Offence

6.—(1) Every employer who contravenes this Act is guilty of an offence and on summary conviction is liable,

(a) if an individual, to a fine of not more than \$1,000; or

(b) if a corporation, to a fine of not more than \$10,000.

Opportunity to comply

(2) No prosecution against an employer shall be instituted under this Act unless the employer is notified of the intent to bring a prosecution and afforded a reasonable opportunity to show or achieve compliance with this Act.

Regulations

7. The Lieutenant Governor in Council may make regulations,

- (a) prescribing additional types of information to be recorded in respect of each disabled person registered in the register;
- (b) governing the types of information to be supplied to the Ministry by each disabled person registered in the register;
- (c) governing records to be kept and reports to be provided by each employer concerning the disabled persons employed by the employer.

8. This Act comes into force on a day to be named by ^{Commence-}proclamation of the Lieutenant Governor. _{ment}

9. The short title of this Act is *The Disabled Persons* ^{Short title}
Employment Act, 1981.



An Act to provide for the
Employment of Disabled Persons

1st Reading

May 1st, 1981

2nd Reading

3rd Reading

MR. MACKENZIE

(Private Member's Bill)

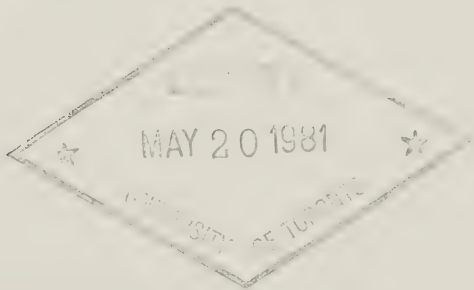
6
BILL 45

Private Member's Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to declare the Application of certain Parts
of The Employment Standards Act, 1974

MR. MACKENZIE



EXPLANATORY NOTE

The purpose of the Bill is to extend the application of Parts IV, V, VI, VII and VIII of *The Employment Standards Act, 1974* to domestic servants. These Parts are concerned with employment standards relating to hours of work, minimum wages, overtime pay, public holidays and vacations with pay. Clause *f* of section 3 of Ontario Regulation 803/75 currently prevents these Parts of the Act from applying to domestic servants.

BILL 45

1981

**An Act to declare
the Application of certain Parts
of The Employment Standards Act, 1974**

HER MAJESTY, by and with the advice and consent
of the Legislative Assembly of the Province of Ontario,
enacts as follows:

1. In this Act, “domestic servant” means a person employed ^{Interpre-}
by a householder to perform domestic services in the household ^{tation}
or to assist in the rearing of a child.

2. It is hereby declared that Parts IV, V, VI, VII and VIII of ^{Declaration}
The Employment Standards Act, 1974 apply to a person who is
employed as a domestic servant.

3. This Act comes into force on the day it receives Royal ^{Commence-}
Assent. ^{ment}

4. The short title of this Act is *The Employment Standards* ^{Short title}
Declaratory Act, 1981.

An Act to declare the Application
of certain Parts of The Employment
Standards Act, 1974

1st Reading

May 1st, 1981

2nd Reading

3rd Reading

MR. MACKENZIE

(Private Member's Bill)

BILL 46

Private Member's Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act respecting the Establishment of Polling Places in
Residential Buildings

MR. PHILIP



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTE

The purpose of the Bill is to require that a polling place for a provincial election be provided in every residential premises in which more than 250 voters reside. The Bill also requires that every landlord of residential premises in which more than 250 voters reside must make the premises available for use as a polling place during a provincial election.

BILL 46

1981

An Act respecting the Establishment of Polling Places in Residential Buildings

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 53 of *The Election Act*, being chapter 142 of the Revised Statutes of Ontario, 1970, is amended by adding thereto the following subsection: R.S.O. 1970,
c. 142,
s. 53,
amended

(5a) A polling place shall be provided in every residential building in which, according to the list of voters prepared by the enumerators, more than 250 voters reside and every voter who is resident in the building shall be entered on the polling list for that polling place. Polling
places in
residential
buildings

2. *The Landlord and Tenant Act*, being chapter 236 of the Revised Statutes of Ontario, 1970, is amended by adding thereto the following section: R.S.O. 1970,
c. 236,
s. 94a,
enacted

94a. A landlord of residential premises in which 250 voters reside, or a servant or agent of such a landlord, shall permit an area of the premises to be used as a polling place in an election to the Legislative Assembly, and, upon receipt of a request from a returning officer, shall assist the returning officer to provide the polling place at a central and convenient location in the premises. Polling
place in
residential
premises

3. This Act comes into force on the day it receives Royal Assent. Commence-
ment
4. The short title of this Act is *The Polling Places Act, 1981*. Short title

An Act respecting the Establishment
of Polling Places in Residential Buildings

1st Reading

May 4th, 1981

2nd Reading

3rd Reading

MR. PHILIP

(Private Member's Bill)

BILL 47

Government Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

**An Act to establish a Corporation to Promote Innovation
Development for Employment Advancement**

THE HON. F. S. MILLER
Treasurer of Ontario and Minister of Economics

TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTES

The purpose of the Bill is to establish a Corporation, to be known as "IDEA Corporation" to promote innovation development for employment advancement. Amongst the principal features of the Bill are the following:

1. The Board of Directors of the Corporation is to be composed of not fewer than five nor more than fifteen members who are to be selected from among representatives of industry, labour, universities and government (s.4).
2. The objects of the Corporation are to,
 - (a) promote the process of technological innovation in Ontario, both on a province-wide and a regional basis;
 - (b) bring together the research capacities of the public sector with the commercial and industrial sector; and
 - (c) enhance the growth and employment prospects of the Ontario economy, both on a province-wide and a regional basis (s. 10 (1)).
3. The Board of Directors of the Corporation is required to comply with any directions from time to time given to it in writing by the Lieutenant Governor in Council or by the Minister with respect to the carrying out of its business and affairs (s. 8).
4. In pursuing technological innovation, research and development, the Corporation is authorized to provide assistance by way of grant, loan, guarantee or purchase of equity shares or other securities (s. 10 (4)).
5. The Corporation is prohibited from directly undertaking or actively engaging in programs of research and development. The Corporation is required to commission all such programs through the facilities of industry, universities or other government agencies (s. 10 (3)).
6. In providing funding for any research and development, the Corporation may require the recipient of those funds to provide for and to issue equity shares to IDEA Corporation and the Corporation is authorized to acquire, hold and otherwise deal in those shares (s. 11 (1)).
7. As a condition of providing any funding, the Corporation is authorized to require repayment of the whole or any part of a grant where the money is used to acquire property and the property is subsequently disposed of or ceases to be used by the recipient for purposes of research and development in Canada (s. 11 (2) (a)).
8. The Corporation is also authorized, as a condition of providing funding, to require participation in the ownership, licensing, royalties or use of any industrial property flowing from research and development undertaken by the recipient (s. 11 (2) (b)).
9. The Corporation is required, where appropriate, to make use of the services and facilities of any ministry, board, commission or agency of the Government of Ontario (s. 13 (1)).
10. The Corporation is required to make an annual report and such other additional reports as may be required of it from time to time (s. 17 (1, 2)).

11. The Corporation is required, not less than every third year, to report on whether or not the mandate of the Corporation has been completed and whether or not the Corporation should continue in existence. Where it is determined that the mandate has been completed, the Corporation is required to recommend the most expeditious means by which the business and affairs of the Corporation may be terminated (s. 17 (3, 4)).
12. The accounts and financial transactions of the Corporation are to be audited annually by the Provincial Auditor (s. 18).

BILL 47

1981

**An Act to establish
a Corporation to Promote Innovation
Development for Employment Advancement**

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

INTERPRETATION

1. In this Act,

Interpre-
tation

- (a) "Board" means the Board of Directors of the Corporation;
- (b) "Corporation" means the IDEA Corporation;
- (c) "equity share" means any share of any class of shares of a corporation carrying voting rights under all circumstances;
- (d) "industrial property" means all patents of invention, copyrights, industrial designs, and any other intellectual or industrial property rights in every country where the same exist from time to time, all applications therefor arising from or acquired in connection therewith and all right to make such applications;
- (e) "Minister" means the Treasurer of Ontario and Minister of Economics or such other member of the Executive Council to whom the administration of this Act is assigned by the Lieutenant Governor in Council.

2. Except as herein otherwise provided, *The Corporations Act* does not apply to the Corporation.

Application of
R.S.O. 1970,
c. 89

INCORPORATION

3. There is hereby established a corporation without share capital under the name of "IDEA Corporation" to promote innovation development for employment advancement.

Corporation
established

BOARD OF DIRECTORS

Composition of Board of Directors	4.—(1) There shall be a Board of Directors of the Corporation consisting of not fewer than five and not more than fifteen members who shall be appointed by the Lieutenant Governor in Council to hold office for a term not exceeding three years.
Idem	(2) Directors of the Corporation shall be selected from among representatives of industry, labour, universities and government.
Chairman	(3) The Lieutenant Governor in Council shall designate one of the directors as chairman of the Board and the chairman shall be the chief executive officer of the Corporation.
Reappointment	(4) Each of the directors is eligible for reappointment upon the expiration of his term of office.
Remuneration	(5) The Corporation may pay those of its directors who are not officers in the public service of Ontario such remuneration and expenses as may from time to time be fixed by the Lieutenant Governor in Council and such remuneration and expenses shall be part of the administration expense of the Corporation.
Seat in Assembly not vacated R.S.O. 1970, c. 240	(6) Notwithstanding anything in <i>The Legislative Assembly Act</i> , a member of the Assembly who is appointed a member of the Board is not thereby rendered ineligible as a member of the Assembly or disqualified from sitting or voting in the Assembly.
Removal of directors	(7) A member of the Board may be removed by the Lieutenant Governor in Council from office before the expiration of his term, and the Lieutenant Governor in Council may appoint any person in his stead for the remainder of his term.

ADMINISTRATION

Chairman to preside	5.—(1) The chairman shall preside at all meetings of the Board and, in his absence, one of the directors present thereat who is chosen so to act by the directors present shall preside and has and may exercise the powers of the chairman.
Quorum	(2) A majority of the directors constitutes a quorum for the transaction of business at meetings of the Board.
By-laws	(3) The Board may make by-laws regulating its proceedings and generally for the conduct and management of the affairs of the Corporation.
Executive committee	6.—(1) The Board shall elect from amongst their number an executive committee consisting of not fewer than three directors, one of whom shall be the chairman of the Board, and may dele-

gate to the executive committee any powers of the Board subject to any restrictions which may be imposed by the Board.

(2) A majority of the number of members of the executive committee, or such greater number as the Board by by-law prescribes, constitutes a quorum. Quorum

7. Any by-law or resolution consented to by the signatures of all of the directors is as valid and effective as if it had been passed at a meeting of the Board held for that purpose. Approval of by-laws or resolutions

8. The Board shall manage or supervise the management of the affairs of the Corporation, but in accordance with the policy of the Government of Ontario relating to technology, research and development and innovation, the Board shall comply with any directions from time to time given to it in writing by the Lieutenant Governor in Council or the Minister with respect to the accomplishment of any of its objects or the exercise of any of its powers. Duties of Board of Directors

9. Every director and each officer or employee of the Corporation and his heirs, executors and administrators shall be indemnified and saved harmless by the Corporation from and against all costs, charges and expenses that he sustains or incurs in or about any action, suit or proceeding that is brought, commenced or prosecuted against him for or in respect of any act, deed, matter or other thing, made, done, or permitted by him in or about the execution of the duties of his office or employment and any payments made by the Corporation with respect to such costs, charges and expenses shall be part of the administration expense of the Corporation. Indemnification of directors

OBJECTS AND POWERS OF THE CORPORATION

10.—(1) The objects of the Corporation are to, Objects

- (a) promote the process of technological innovation in Ontario, both on a province-wide and a regional basis;
- (b) bring together the research capacities of the public sector with the commercial and industrial sector;
- (c) enhance the growth and employment prospects of the Ontario economy, both on a province-wide and a regional basis.

(2) The Corporation, for the objects set out in subsection 1, possesses power to, Powers

- (a) encourage and promote programs of research, design, development and demonstration of all types of tech-

nology applicable to industry and commerce and of economic benefit to Ontario;

- (b) promote and develop co-operation in research and its application among corporations, governments, universities, research centres and individuals;
- (c) acquire, develop and deal in industrial property, licences, inventions and processes and the royalties and benefits flowing therefrom;
- (d) promote and improve the capacity of universities to respond to the skill requirements of high technology industries;
- (e) provide advice to the Minister on issues related to the enhancement of technological innovation in Ontario; and
- (f) do anything that, in the opinion of the Board, can be done advantageously by the Corporation in connection with or ancillary to the carrying out of the objects of the Corporation set out in clauses *a* to *e*.

Idem (3) Notwithstanding anything contained in subsection 1 or 2, the Corporation shall not directly or actively engage in programs of research and development itself but shall commission all such programs through the facilities of industry, universities or other government agencies.

Idem (4) In carrying out the objects of the Corporation under subsection 1, the Corporation may provide financial assistance by way of grant, loan, guarantee or purchase of equity shares or other securities.

Approval of Lieutenant Governor in Council (5) The Lieutenant Governor in Council may, by regulation, require the approval by the Lieutenant Governor in Council to the exercise of all or any of the powers of the Corporation conferred under subsection 4.

Validity (6) Every guarantee executed under the seal of the Corporation and signed by the Treasurer of Ontario and given or purporting to be given under the authority of this section is binding upon the Province of Ontario.

Corporation may acquire equity shares **11.**—(1) In exchange for participating in the funding of any research and development, the Corporation may require the recipient to provide for and to issue equity shares to the Corporation and the Corporation may acquire, hold and otherwise deal in such shares.

(2) The Corporation may, as a condition of providing any funding, Conditions of funding

(a) require repayment of the whole or any part of a grant where the grant is used to acquire property and the property is disposed of, lost, damaged or destroyed, or ceases to be used by the recipient for purposes of research and development in Canada within a prescribed period; or

(b) enter into an agreement with the recipient to provide for participation by the Corporation in the ownership, licensing, royalties or use of any industrial property flowing from research and development by the recipient.

(3) Any net income of the Corporation shall be paid into the Consolidated Revenue Fund at such time and in such manner as the Lieutenant Governor in Council may direct Income to be paid into C.R.F.

12. The Corporation possesses as incidental and ancillary to its objects those powers contained in subsection 1 of section 24 of *The Corporations Act*, except clauses *b, j, k, l, q, r* and *t* of that subsection. Incidental and ancillary powers
R.S.O. 1970, c. 89

13.—(1) In exercising its powers under this Act, the Corporation shall, where appropriate, make use of the services and facilities of any ministry, board, commission or agency of the Government of Ontario. Use of services and facilities of ministries, etc.

(2) The Corporation may engage persons under contract or otherwise or obtain the appointment under *The Public Service Act* of such persons as are considered necessary from time to time for the proper conduct of the affairs of the Corporation. Appointment of staff
R.S.O. 1970, c. 386

14. The head office of the Corporation shall be in The Municipality of Metropolitan Toronto. Head office

15. The Corporation shall have a seal which shall be adopted by resolution or by-law of the Board. Corporate seal

16. The fiscal year of the Corporation commences on the 1st day of April in each year and ends on the 31st day of March in the following year. Fiscal year

ANNUAL REPORT AND AUDIT

17.—(1) The Corporation shall, after the close of each fiscal year, deliver to the Minister an annual report upon the affairs of the Corporation signed by the chairman and one other director of Annual report

the Board, and the Minister shall submit the report to the Lieutenant Governor in Council and shall then lay the report before the Assembly if it is in session or, if not, at the next ensuing session.

Additional
report

(2) In addition to making an annual report under subsection 1, the Corporation shall make to the Minister such other report on its affairs as the Minister from time to time may require.

Contents
of annual
report

(3) At least in every third annual report made under subsection 1, the Corporation shall report to the Minister on whether or not the mandate of the Corporation has been completed and whether or not the Corporation should continue in existence.

Idem

(4) Where the Corporation reports under subsection 3 that its mandate has been completed, the Corporation shall recommend the most expeditious means by which the business and affairs of the Corporation may be terminated.

Audit

18. The accounts and financial transactions of the Corporation shall be audited annually by the Provincial Auditor, and reports of the audit shall be made to the Corporation and to the Minister.

Corporation a
Crown agency
R.S.O. 1970,
c. 100

19. The Corporation is a Crown agency within the meaning of *The Crown Agency Act*.

Regulations

20. The Lieutenant Governor in Council may make regulations,

(a) providing for the termination of the affairs of the Corporation and the transfer of all assets, rights, obligations and liabilities of the Corporation to Her Majesty the Queen in right of the Province of Ontario;

(b) for the purposes of subsection 5 of section 10, requiring the approval of the Lieutenant Governor in Council to the exercise of any or all of the powers of the Corporation.

Commence-
ment

21. This Act comes into force on the day it receives Royal Assent.

Short title

22. The short title of this Act is *The IDEA Corporation Act, 1981*.

An Act to establish a Corporation
to Promote Innovation Development
for Employment Advancement

1st Reading

May 5th, 1981

2nd Reading

3rd Reading

THE HON. F. S. MULLER
Treasurer of Ontario and Minister
of Economics

(Government Bill)

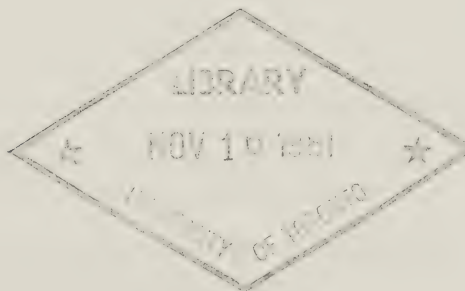
BILL 47

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

LEGISLATIVE ASSEMBLY

An Act to establish a Corporation to Promote Innovation
Development for Employment Advancement

THE HON. F. S. MILLER
Treasurer of Ontario and Minister of Economics



TORONTO

PRINTED BY ALAN GORDON, QUEEN'S PRINTER FOR ONTARIO

BILL 47

1981

**An Act to establish
a Corporation to Promote Innovation
Development for Employment Advancement**

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

INTERPRETATION

1. In this Act,

Interpre-
tation

- (a) "Board" means the Board of Directors of the Corporation;
- (b) "Corporation" means the IDEA Corporation;
- (c) "equity share" means any share of any class of shares of a corporation carrying voting rights under all circumstances;
- (d) "industrial property" means all patents of invention, copyrights, industrial designs, and any other intellectual or industrial property rights in every country where the same exist from time to time, all applications therefor arising from or acquired in connection therewith and all right to make such applications;
- (e) "Minister" means the Treasurer of Ontario and Minister of Economics or such other member of the Executive Council to whom the administration of this Act is assigned by the Lieutenant Governor in Council.

2. Except as herein otherwise provided, the *Corporations Act* does not apply to the Corporation.

Application of
R.S.O. 1980,
c. 95

INCORPORATION

3. There is hereby established a corporation without share capital under the name of "IDEA Corporation" to promote innovation development for employment advancement.

Corporation
established

BOARD OF DIRECTORS

Composition
of Board of
Directors

4.—(1) There shall be a Board of Directors of the Corporation consisting of not fewer than five and not more than fifteen members who shall be appointed by the Lieutenant Governor in Council to hold office for a term not exceeding three years.

Idem

(2) Directors of the Corporation shall be selected from among representatives of industry, labour, universities and government.

Chairman,
president

(3) The Lieutenant Governor in Council shall designate one of the directors as chairman of the Board and another of the directors as president and chief executive officer of the Corporation.

Reappoint-
ment

(4) Each of the directors is eligible for reappointment upon the expiration of his term of office.

Remuner-
ation

(5) The Corporation may pay those of its directors who are not officers in the public service of Ontario such remuneration and expenses as may from time to time be fixed by the Lieutenant Governor in Council and such remuneration and expenses shall be part of the administration expense of the Corporation.

Seat in
Assembly not
vacated
R.S.O. 1980,
c. 235

(6) Notwithstanding anything in the *Legislative Assembly Act*, a member of the Assembly who is appointed a member of the Board is not thereby rendered ineligible as a member of the Assembly or disqualified from sitting or voting in the Assembly.

ADMINISTRATION

Chairman
to preside

5.—(1) The chairman shall preside at all meetings of the Board and, in his absence, one of the directors present thereat who is chosen so to act by the directors present shall preside and has and may exercise the powers of the chairman.

Quorum

(2) A majority of the directors constitutes a quorum for the transaction of business at meetings of the Board.

By-laws

(3) The Board may make by-laws regulating its proceedings and generally for the conduct and management of the affairs of the Corporation.

Executive
committee

6.—(1) The Board shall elect from amongst their number an executive committee consisting of not fewer than three directors, one of whom shall be the chairman of the Board, and may dele-

gate to the executive committee any powers of the Board subject to any restrictions which may be imposed by the Board.

(2) A majority of the number of members of the executive committee, or such greater number as the Board by by-law prescribes, constitutes a quorum. Quorum

7. Any by-law or resolution consented to by the signatures of all of the directors is as valid and effective as if it had been passed at a meeting of the Board held for that purpose. Approval of by-laws or resolutions

8. The Board shall manage or supervise the management of the affairs of the Corporation, but in accordance with the policy of the Government of Ontario relating to technology, research and development and innovation, the Board shall comply with any directions from time to time given to it in writing by the Lieutenant Governor in Council or the Minister with respect to the accomplishment of any of its objects or the exercise of any of its powers. Duties of Board of Directors

9. Every director and each officer or employee of the Corporation and his heirs, executors and administrators shall be indemnified and saved harmless by the Corporation from and against all costs, charges and expenses that he sustains or incurs in or about any action, suit or proceeding that is brought, commenced or prosecuted against him for or in respect of any act, deed, matter or other thing, made, done, or permitted by him in or about the execution of the duties of his office or employment and any payments made by the Corporation with respect to such costs, charges and expenses shall be part of the administration expense of the Corporation. Indemnification of directors

OBJECTS AND POWERS OF THE CORPORATION

10.—(1) The objects of the Corporation are to, Objects

- (a) promote the process of technological innovation in Ontario, both on a province-wide and a regional basis;
- (b) bring together the research capacities of the public sector with the commercial and industrial sector;
- (c) enhance the growth and employment prospects of the Ontario economy, both on a province-wide and a regional basis.

(2) The Corporation, for the objects set out in subsection (1), possesses power to, Powers

- (a) encourage and promote programs of research, design, development and demonstration of all types of tech-

nology applicable to industry and commerce and of economic benefit to Ontario;

- (b) promote and develop co-operation in research and its application among corporations, governments, universities, research centres and individuals;
- (c) acquire, develop and deal in industrial property, licences, inventions and processes and the royalties and benefits flowing therefrom;
- (d) promote and improve the capacity of universities to respond to the skill requirements of high technology industries;
- (e) provide advice to the Minister on issues related to the enhancement of technological innovation in Ontario; and
- (f) do anything that, in the opinion of the Board, can be done advantageously by the Corporation in connection with or ancillary to the carrying out of the objects of the Corporation set out in clauses (a) to (e).

Idem (3) Notwithstanding anything contained in subsection (1) or (2), the Corporation shall not directly or actively engage in programs of research and development itself but shall commission all such programs through the facilities of industry, universities or other government agencies.

Idem (4) In carrying out the objects of the Corporation under subsection (1), the Corporation may provide financial assistance by way of grant, loan, guarantee or purchase of equity shares or other securities.

Approval of
Lieutenant
Governor in
Council (5) The Lieutenant Governor in Council may, by regulation, require the approval by the Lieutenant Governor in Council to the exercise of all or any of the powers of the Corporation conferred under subsection (4).

Validity (6) Every guarantee executed under the seal of the Corporation and signed by the Treasurer of Ontario and given or purporting to be given under the authority of this section is binding upon the Province of Ontario.

Corporation
may acquire
equity
shares **11.**—(1) In exchange for participating in the funding of any research and development, the Corporation may require the recipient to provide for and to issue equity shares to the Corporation and the Corporation may acquire, hold and otherwise deal in such shares.

(2) The Corporation may, as a condition of providing any funding, Conditions of funding

- (a) require repayment of the whole or any part of a grant where the grant is used to acquire property and the property is disposed of, lost, damaged or destroyed, or ceases to be used by the recipient for purposes of research and development in Canada within a prescribed period; or
- (b) enter into an agreement with the recipient to provide for participation by the Corporation in the ownership, licensing, royalties or use of any industrial property flowing from research and development by the recipient.

(3) Any net income of the Corporation may be paid into the Consolidated Revenue Fund at such time and in such manner as the Lieutenant Governor in Council may direct. Income to be paid into C.R.F.

12. The Corporation possesses as incidental and ancillary to its objects those powers contained in subsection 23 (1) of the *Corporations Act*, except clauses (b), (j), (k), (l), (q), (r) and (t) of that subsection. Incidental and ancillary powers R.S.O. 1980, c. 95

13.—(1) In exercising its powers under this Act, the Corporation shall, where appropriate, make use of the services and facilities of any ministry, board, commission or agency of the Government of Ontario. Use of services and facilities of ministries, etc.

(2) The Corporation may engage persons under contract or otherwise or obtain the appointment under the *Public Service Act* of such persons as are considered necessary from time to time for the proper conduct of the affairs of the Corporation. Appointment of staff R.S.O. 1980, c. 418

14. The Corporation shall have a seal which shall be adopted by resolution or by-law of the Board. Corporate seal

15. The fiscal year of the Corporation commences on the 1st day of April in each year and ends on the 31st day of March in the following year. Fiscal year

ANNUAL REPORT AND AUDIT

16.—(1) The Corporation shall, after the close of each fiscal year, deliver to the Minister an annual report upon the affairs of the Corporation signed by the chairman and one other director of Annual report

the Board, and the Minister shall submit the report to the Lieutenant Governor in Council and shall then lay the report before the Assembly if it is in session or, if not, at the next ensuing session.

Additional
report

(2) In addition to making an annual report under subsection (1), the Corporation shall make to the Minister such other report on its affairs as the Minister from time to time may require.

Contents
of annual
report

(3) At least in every third annual report made under subsection (1), the Corporation shall report to the Minister on whether or not the mandate of the Corporation has been completed and whether or not the Corporation should continue in existence.

Idem

(4) Where the Corporation reports under subsection (3) that its mandate has been completed, the Corporation shall recommend the most expeditious means by which the business and affairs of the Corporation may be terminated.

Audit

17. The accounts and financial transactions of the Corporation shall be audited annually by the Provincial Auditor, and reports of the audit shall be made to the Corporation and to the Minister.

Corporation a
Crown agency
R.S.O. 1980,
c. 106

18. The Corporation is a Crown agency within the meaning of the *Crown Agency Act*.

Regulations

19. The Lieutenant Governor in Council may make regulations,

(a) providing for the termination of the affairs of the Corporation and the transfer of all assets, rights, obligations and liabilities of the Corporation to Her Majesty the Queen in right of the Province of Ontario;

(b) for the purposes of subsection 10 (5), requiring the approval of the Lieutenant Governor in Council to the exercise of any or all of the powers of the Corporation.

Commence-
ment

20. This Act comes into force on the day it receives Royal Assent.

Short title

21. The short title of this Act is the *IDEA Corporation Act, 1981*.

An Act to establish a Corporation
to Promote Innovation Development
for Employment Advancement

1st Reading

May 5th, 1981

2nd Reading

October 13th, 1981

3rd Reading

October 26th, 1981

THE HON. F. S. MILLER
Treasurer of Ontario and Minister
of Economics

BILL 48

Government Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act respecting Massey-Ferguson Limited

THE HON. L. GROSSMAN
Minister of Industry and Tourism



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTE

The purpose of the Bill is to authorize the Minister of Industry and Tourism, on behalf of the Province of Ontario, to acquire shares of Massey-Ferguson Limited should the Province be required to do so under the terms of agreements to be entered into between Massey-Ferguson Limited and the governments of Canada and Ontario.

The Bill establishes limits on the percentage of shares to be acquired and the amount of moneys to be paid for those shares and makes any payment therefor out of the Consolidated Revenue Fund a statutory right.

BILL 48

1981

An Act respecting Massey-Ferguson Limited

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. In this Act,

Interpre-
tation

- (a) "Canada" means Her Majesty the Queen in right of Canada;
- (b) "Corporation" means Massey-Ferguson Limited, a corporation continued under the provisions of the *Canada Business Corporations Act*; ^{1974-75, c. 33 (Can.)}
- (c) "Minister" means the Minister of Industry and Tourism;
- (d) "Ontario" means Her Majesty the Queen in right of the Province of Ontario;
- (e) "Shares" means the eight million \$25 Stated Value Cumulative Redeemable Retractable Preferred Shares, Series "D" of the Corporation.

2.—(1) The Minister, on behalf of the Province of Ontario, is authorized to purchase, hold and sell Shares of the Corporation in accordance with the terms and conditions approved by the Lieutenant Governor in Council. ^{Province authorized to acquire Shares}

(2) The number of Shares of the Corporation to be purchased by the Minister at any time under subsection 1 shall not exceed 37.5 per cent of the total aggregate number of such Shares to be purchased at any time by Ontario and Canada. ^{Limitations}

(3) Notwithstanding any other provision of this Act, the amount of money provided or payable by the Minister under this section to purchase Shares of the Corporation shall not exceed in aggregate the amount of \$78,000,000. ^{Idem}

Money to be
paid from
C.R.F.

(4) The money necessary for the purchase of Shares of the Corporation shall be paid out of the Consolidated Revenue Fund.

Money to be
paid into
C.R.F.

3. All money received by the Minister either upon the sale of any Shares of the Corporation or upon the payment of any amount with respect to any dividend on such Shares shall be paid into the Consolidated Revenue Fund.

Commence-
ment

4. This Act comes into force on the day it receives Royal Assent.

Short title

5. The short title of this Act is *The Massey-Ferguson Limited Act, 1981*.

An Act respecting
Massey-Ferguson Limited

1st Reading

May 5th, 1981

2nd Reading

3rd Reading

THE HON. L. GROSSMAN
Minister of Industry and Tourism

(Government Bill)

BILL 49

Private Member's Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to ensure the Regeneration and Reforestation
of Forests in Ontario

MR. FOULDS



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTE

The purpose of the Bill is to require the Ministry of Natural Resources to prepare a forest resource analysis and forest resource program at regular intervals to assist in ensuring the wise management of forest resources in Ontario.

The Bill also makes it a duty of the Minister to ensure that the forest resources of Ontario are managed on a sustained yield basis.

BILL 49

1981

An Act to ensure the Regeneration and Reforestation of Forests in Ontario

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. In this Act,

Interpre-
tation

- (a) "Minister" means the Minister of Natural Resources;
- (b) "Ministry" means the Ministry of Natural Resources;
- (c) "sustained yield" means the growth of timber that a forest can produce and that can be cut to achieve a continuous approximate balance between growth of timber and timber cut.

2. It is the duty of the Minister to ensure that the forest resources of Ontario are managed on a sustained yield basis.

3.—(1) Not later than the 31st day of October, 1981, the Minister shall prepare and submit to the Lieutenant Governor in Council a forest resource analysis containing,

Forest
resource
analysis

- (a) a description of the inventory of the forest resources in Ontario;
- (b) a description of the location and extent of areas of forest land in Ontario that,
 - (i) have been denuded of timber through harvesting or otherwise and have not been restocked with commercially valuable species of timber, or
 - (ii) are producing timber at a rate that is substantially lower than their potential;

- (c) a description of the programs of the Ministry respecting public and private forest management, protection, conservation, investment and research;
- (d) an analysis of trends in and a forecast of,
 - (i) domestic and international demand for and uses of the forest resources in Ontario and products manufactured therefrom, and
 - (ii) the supply of the forest resources in Ontario and products manufactured therefrom in relation to the supply from areas outside Ontario; and
- (e) a summary of developments in and questions of public policy that are expected to influence significantly and to affect the use, ownership, licensing and management of forest resources.

Subsequent
analyses

(2) An analysis referred to in subsection 1 shall be prepared and submitted to the Lieutenant Governor in Council at least once in every ten year period following the date that the initial analysis is prepared and submitted.

Forest
resource
program

4.—(1) Not later than the 31st day of October, 1981, the Minister shall prepare and submit to the Lieutenant Governor in Council a forest resource program containing,

- (a) a presentation of the alternatives available for re-stocking forest land, for increasing the productivity of forest land, and for otherwise improving forest resources in Ontario, identifying,
 - (i) the estimated capital and current expenditures associated with each alternative,
 - (ii) the estimated effect of each alternative on the productivity of the resources,
 - (iii) the estimated direct and indirect economic and social benefits and costs associated with each alternative, and
 - (iv) an assessment of the priorities that should be given to each alternative; and
- (b) a program recommended to be implemented by the Ministry during the five year period beginning on the 1st day of April, 1982, for re-stocking forest land, for increasing the productivity of forest land, and for otherwise improving forest resources in Ontario, including,

- (i) a schedule for implementing the program,
- (ii) the method to be used and priorities adopted for implementing the program, and
- (iii) the respective roles to be played by the Crown and the private sector in implementing the program.

(2) A program referred to in subsection 1 shall be prepared and submitted to the Lieutenant Governor in Council at least once in every five year period following the date that the initial program is prepared and submitted. Subsequent programs

5. When the Minister submits a forest resource analysis and forest resource program to the Lieutenant Governor in Council, the Minister shall lay a copy of the analysis or program before the Assembly if it is in session or, if not, at the commencement of the next ensuing session. Tabling in Assembly

6.—(1) The Minister shall submit to the Lieutenant Governor in Council an annual report concerning the work performed by the Ministry in respect of the forest resource analysis and forest resource program referred to in sections 2 and 3 and the Minister shall then lay a copy of the report before the Assembly if it is in session or, if not, at the commencement of the next ensuing session. Annual report

- (2) The annual report shall include, Idem
- (a) a review of the forest resource program then in effect, a statement of the expenditures incurred to implement it, an assessment of the effect it has had on the productivity of forest resources in the Province and an analysis of the direct and indirect economic and social benefits and costs associated with its implementation; and
 - (b) a summary of forest land in the Province, showing areas denuded of forest during the year, areas re-stocked during the year and areas the productivity of which has been improved during the year.

7. This Act comes into force on the day it receives Royal Assent. Commencement

8. The short title of this Act is *The Forest Resource Management Act, 1981*. Short title

BILL 49

An Act to ensure
the Regeneration and Reforestation
of Forests in Ontario

1st Reading

May 5th, 1981

2nd Reading

3rd Reading

MR. FOULDS

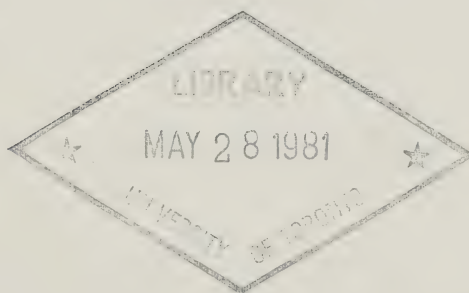
(Private Member's Bill)

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

LEGISLATIVE ASSEMBLY

**An Act respecting the
Sale of Beer at the Canadian National Exhibition Stadium**

MR. SAMIS



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTE

The purpose of this Bill is to declare the Canadian National Exhibition stadium to be a licensed premises for the sale and service of beer at games played by the Toronto Blue Jays baseball team.

BILL 50

1981

An Act respecting the Sale of Beer at the Canadian National Exhibition Stadium

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. In this Act, "light beer" means beer that contains not more than 4.0 per cent of alcohol by volume. Interpre-
tation
2. Notwithstanding any provision of *The Liquor Licence Act*, 1975, the Canadian National Exhibition is hereby declared to be a licensed premises for the sale and service of beer on the occasion of baseball games played by the Toronto Blue Jays baseball team. Stadium as
licensed
premises
1975, c. 40
- 3.—(1) Beer sold under the authority of this Act shall be light beer only and shall be served in plastic or paper cups. Light beer
- (2) Beer sold under the authority of this Act may be sold only during the period between one-half hour before a Toronto Blue Jays' baseball game is scheduled to commence and the time at which the game comes to an end. Limitation
4. The Lieutenant Governor in Council may make regulations respecting the sale and service of beer at Toronto Blue Jays' baseball games at the Canadian National Exhibition stadium. Regulations
5. This Act comes into force on the day it receives Royal Assent. Commence-
ment
6. The short title of this Act is *The Beer in the Ball Park Act*, 1981. Short title

An Act respecting
the Sale of Beer at the Canadian National
Exhibition Stadium

1st Reading

May 5th, 1981

2nd Reading

3rd Reading

MR. SAMIS

(Private Member's Bill)

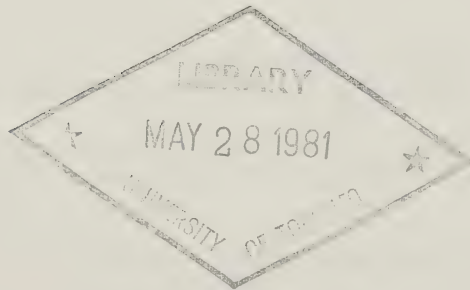
BILL 51

Private Member's Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend The Change of Name Act

MR. EPP



EXPLANATORY NOTE

The purpose of the Bill is to provide additional exemptions from the application of *The Change of Name Act*. The Act currently provides that a woman may change her name without having to make a change of name application if she changes her surname to that of her husband upon her marriage or if she adopts her maiden name upon the annulment or dissolution of her marriage. A man who wishes to change his name to that of his wife must make a change of name application to a judge under the Act. The effect of the amendment contained in the Bill is to permit a man to change his surname to that of his wife without the necessity of bringing a change of name application.

BILL 51

1981

An Act to amend The Change of Name Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsection 1 of section 2 of *The Change of Name Act*, being chapter 60 of the Revised Statutes of Ontario, 1970, is repealed and the following substituted therefor:

(1) A person shall change his or her name only under this Act except, s. 2 (1), re-enacted
Application of Act

(a) in the case of a woman,

- (i) a change of her surname to that of her husband upon her marriage,
- (ii) the adoption of her original family name upon the annulment or dissolution of her marriage;

(b) in the case of a man,

- (i) a change of his surname to that of his wife upon his marriage,
- (ii) the adoption of his original family name upon the annulment or dissolution of his marriage;

(c) a change of name authorized under section 13 of *The Vital Statistics Act* and section 78 of *The Child Welfare Act*, 1978. R.S.O. 1970, c. 483
1978, c. 85

2. This Act comes into force on the day it receives Royal Assent. Commence-
ment
3. The short title of this Act is *The Change of Name Amendment Act*, 1981. Short title

BILL 51

An Act to amend
The Change of Name Act

1st Reading

May 5th, 1981

2nd Reading

3rd Reading

MR. EPP

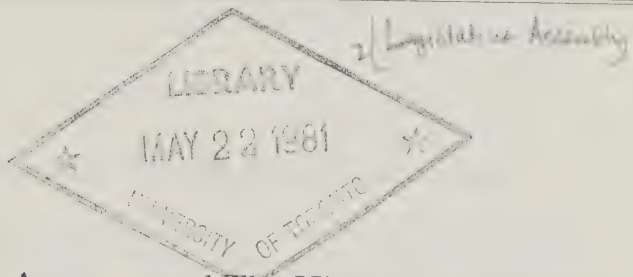
(Private Member's Bill)

424N
XB
- B56

³
↓
BILL 52

Government Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981



An Act to amend The Highway Traffic Act

THE HON. J. W. SNOW
Minister of Transportation and Communications

EXPLANATORY NOTES

SECTION 1. The added definition is complementary to sections 3 and 7 of the Bill.

SECTION 2. Section 7 (3) of the Act prohibits the issuance of a permit for a motor vehicle or trailer that has a gross weight exceeding 2,750 kilograms where the manufacturer's serial number has been obliterated unless evidence of ownership is provided. The weight limit is being reduced to 1,360 kilograms.

SECTION 3. The new provision prohibits driving motor vehicles on a highway or drawing certain types of trailers on a highway that do not have affixed a manufacturer's vehicle identification number in the case of motor vehicles, or an identification number, in the case of trailers.

BILL 52

1981

An Act to amend The Highway Traffic Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsection 1 of section 1 of *The Highway Traffic Act*, being chapter 202 of the Revised Statutes of Ontario, 1970, as amended by the Statutes of Ontario, 1973, chapter 45, section 1, 1973, chapter 167, section 1, 1974, chapter 123, section 1, 1975, chapter 78, section 1, 1976, chapter 37, section 1, 1977, chapter 19, section 1, 1978, chapter 4, section 1, 1979, chapter 57, section 1 and 1980, chapter 37, section 1, is further amended by adding thereto the following paragraph:

34a. "trailer converter dolly" means a device consisting of one or more axles, a fifth wheel lower-half and a tow bar.

2. Subsection 3 of section 7 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 66, section 3, 1978, chapter 4, section 2 and 1980, chapter 37, section 3, is further amended by striking out "2,750 kilograms" in the second line and in the amendment of 1978 and inserting in lieu thereof "1,360 kilograms".

3. The said Act is amended by adding thereto the following section:

7a.—(1) No owner of a motor vehicle shall drive or permit his motor vehicle to be driven on a highway unless the motor vehicle has the manufacturer's vehicle identification number permanently affixed.

(2) No owner of,

Idem

(a) a trailer that has a manufacturer's gross vehicle weight rating exceeding 1,360 kilograms;

(b) a conversion unit; or

(c) a trailer converter dolly,

shall draw or permit the trailer, conversion unit or trailer converter dolly to be drawn on a highway unless the trailer, conversion unit or trailer converter dolly, as the case may be, has an identification number permanently affixed.

s. 30*b*,
re-enacted

4. Section 30*b* of the said Act, as enacted by the Statutes of Ontario, 1974, chapter 123, section 10, is repealed and the following substituted therefor:

Driving
while
driver's
licence
suspended

30*b*.—(1) Every person who drives a motor vehicle on a highway while his driver's licence is suspended under an Act of the Legislature or a regulation made thereunder is guilty of an offence and on conviction is liable,

(a) for a first offence, to a fine of not less than \$250 and not more than \$2,000; and

(b) for each subsequent offence, to a fine of not less than \$500 and not more than \$2,000,

or to imprisonment for a term of not more than six months, or to both.

Subsequent
offence

(2) Where a person who has previously been convicted of an offence under subsection 1 is convicted of the same offence within five years after the date of the previous conviction, the offence for which he is last convicted shall be deemed to be a subsequent offence for the purpose of clause *b* of subsection 1.

Licence
suspended

(3) The driver's licence of a person who is convicted of an offence under subsection 1 is thereupon suspended for a period of six months in addition to any other period for which the licence is suspended, and consecutively thereto.

s. 31,
amended

5. Section 31 of the said Act, as amended by the Statutes of Ontario, 1979, chapter 103, section 4, is further amended by striking out "this Act or the regulations" in the first line and in the amendment of 1979 and inserting in lieu thereof "an Act of the Legislature or a regulation made thereunder".

s. 36 (2),
amended

- 6.—(1) Subsection 2 of section 36 of the said Act, as amended by the Statutes of Ontario, 1978, chapter 4, section 3 and 1980, chapter 37, section 4, is further amended by striking out "2,750 kilograms" in the third line and in the amendment of 1978 and inserting in lieu thereof "1,360 kilograms".

s. 36 (3),
amended

- (2) Subsection 3 of the said section 36, as amended by the Statutes of Ontario, 1978, chapter 4, section 3 and 1980, chapter

SECTION 4. The Act now provides that a person who drives a motor vehicle on a highway while his licence is suspended by operation of the Act is guilty of an offence. Driving while one's licence is suspended by operation of any other Act was treated as an offence under the *Criminal Code* (Canada). However, a court decision in February of this year ruled that the pertinent provision of the *Criminal Code* (Canada) was *ultra vires* the Federal government. Accordingly, the new provision is designed to fill the gap left by the court decision. In addition, the maximum penalty for driving with licence suspended is being increased to a fine of \$2,000, together with imprisonment, from a maximum fine of \$500, and conviction under the section will carry a mandatory six months suspension of the person's driver's licence.

SECTION 5. This amendment is complementary to section 4 of the Bill and the same explanation applies.

SECTION 6. The Act currently prohibits buying, selling, wrecking, etc., trailers that have a gross weight exceeding 2,750 kilograms where the manufacturer's serial number or identifying mark is obliterated. The amendment lowers the weight limit to 1,360 kilograms. The Act makes it an offence to remove a manufacturer's serial number or identifying mark from trailers that have a gross weight exceeding 2,750 kilograms. The weight limit is also being reduced to 1,360 kilograms.

SECTION 7. Section 36*a* of the Act sets out the meanings of certain words used in Part V of the Act which deals with equipment requirements. The proposed amendment expands the meaning of vehicle for purposes of Part V.

SECTION 8. Section 91 of the Act provides that when entering a highway from a private road, a driver shall yield the right of way to vehicles on the highway. The proposed amendment negates this rule where there is a traffic light controlling entry from the private road.

SECTION 9. The Act permits passing to the right in certain circumstances and prohibits it in others. The proposed amendment consolidates the existing provisions and goes on to prohibit passing on the left shoulder of a highway. An exemption is provided for ambulances, fire department, police department and Ministry emergency vehicles and tow trucks responding to a police call.

37, section 4, is further amended by striking out "2,750 kilograms" in the fourth line and in the amendment of 1978 and inserting in lieu thereof "1,360 kilograms".

7. Section 36a of the said Act, as re-enacted by the Statutes of Ontario, 1979, chapter 103, section 6, is amended by adding thereto the following clause: s. 36a,
amended

(d) "vehicle", in addition to the meaning set out in section 1, includes a conversion unit and a trailer converter dolly.

8. Section 91 of the said Act is amended by adding thereto the following subsection: s. 91,
amended

(2) Subsection 1 does not apply to a driver or operator entering a highway from a private road or driveway controlled by a signal head of a signal-light traffic control system. Exception
to subs. 1

9. Section 100 of the said Act, as amended by the Statutes of Ontario, 1976, chapter 37, section 13, is repealed and the following substituted therefor: s. 100,
re-enacted

100.—(1) The driver of a motor vehicle may overtake and pass to the right of another vehicle only where such movement can be made in safety and, Passing to
right of
vehicle

(a) the vehicle overtaken is making or about to make a left turn or its driver has signalled his intention to make a left turn;

(b) is made on a highway with unobstructed pavement of sufficient width for two or more lines of vehicles in each direction; or

(c) is made on a highway designated for the use of one-way traffic only.

(2) No driver of a motor vehicle shall overtake and pass another vehicle by driving off the roadway. Driving off
roadway
prohibited

(3) Subsection 2 does not apply to the driver of,

Non-applica-
tion of
subs. 2

(a) a motor vehicle overtaking and passing to the right of another vehicle where the shoulder to the right of the roadway is paved and the vehicle overtaken is making or about to make a left turn or its driver has signalled his intention to make a left turn;

- (b) an ambulance or fire department vehicle as defined in section 36a;
- (c) a police department or Ministry emergency vehicle; or
- (d) a tow truck where the driver is responding to a police request for assistance.

s. 104a,
enacted

- 10.** The said Act is further amended by adding thereto the following section:

Backing onto
highway
prohibited

104a.—(1) No driver of a vehicle shall back the vehicle upon the roadway or shoulder of any highway divided by a median strip on which the maximum speed limit is in excess of 80 kilometres per hour.

Exception
to subs. 1

(2) Subsection 1 does not apply to,

- (a) the driver of an ambulance or fire department vehicle as defined in section 36a;
- (b) the driver of a police department or Ministry vehicle; or
- (c) a person attempting to render assistance to another person.

s. 128,
amended

- 11.** Section 128 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 123, section 31 and 1977, chapter 54, section 15, is further amended by adding thereto the following subsection:

Removing
pedestrians

(3) Where a pedestrian is on a highway in contravention of a regulation made or by-law passed under this section, a police officer may require the pedestrian to accompany him to the nearest intersecting highway on which pedestrians are not prohibited.

s. 153 (2),
amended

- 12.** Subsection 2 of section 153 of the said Act is amended by striking out "30; section 83, 117 or 127" in the sixth line and inserting in lieu thereof "30, 30b, 83, 117 or 127; subsection 3 of section 128".

s. 154 (1) (a),
re-enacted

- 13.** Clause *a* of subsection 1 of section 154 of the said Act, as amended by the Statutes of Ontario, 1973, chapter 45, section 30, is repealed and the following substituted therefor:

(a) a conviction under section 27, 30 or 30b of this Act or section 234 of the *Criminal Code* (Canada); or

R.S.C. 1970,
c. C-34

Commence-
ment

- 14.—(1)** This Act, except sections 2, 3, 6, 9 and 10, comes into force on the day it receives Royal Assent.

SECTION 10. Self-explanatory.

SECTION 11. Section 128 of the Act authorizes regulations to be made and by-laws to be passed prohibiting pedestrians, bicycles, etc., from being on certain highways. The proposed amendment would permit a police officer to take a pedestrian who is on a prohibited highway to a highway on which pedestrians are not prohibited.

SECTION 12. Section 153 (2) of the Act authorizes a constable to make an arrest without warrant where there is a contravention of certain specified provisions of the Act. Two new provisions are being added: namely, driving while one's licence is suspended and refusing to accompany a police officer off a prohibited highway (the new offence being made by section 11 of the Bill).

SECTION 13. Section 154 of the Act authorizes a judge to order a motor vehicle impounded where there is a conviction under certain specified provisions. The proposed amendment refers to the new section 30*b* of the Act, as set out in section 4 of the Bill, and omits the reference to section 238 (3) of the *Criminal Code* (Canada). This is complementary to section 4 of the Bill.

(2) Sections 9 and 10 come into force on the 1st day of Sep- Idem
tember, 1981.

(3) sections 2, 3 and 6 come into force on the 1st day of January, Idem
1982.

15. The short title of this Act is *The Highway Traffic Amendment Act*, Short title
1981.

An Act to amend
The Highway Traffic Act

1st Reading

May 7th, 1981

2nd Reading

3rd Reading

THE HON. J. W. SNOW
Minister of Transportation and
Communications

(Government Bill)

BILL 53

Government Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend
The Public Transportation and Highway Improvement Act

THE HON. J. W. SNOW
Minister of Transportation and Communications



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTE

The Act now provides that the Minister may direct reimbursement to a municipality of 75 per cent of the municipality's capital cost in providing public transportation.

The new provision would permit the reimbursement to be 90 per cent where the capital cost is related to providing electrically powered vehicles.

BILL 53

1981

An Act to amend The Public Transportation and Highway Improvement Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 87b of *The Public Transportation and Highway Improvement Act*, being chapter 201 of the Revised Statutes of Ontario, 1970, as enacted by the Statutes of Ontario, 1971, chapter 61, section 14 and amended by 1973, chapter 20, section 1, 1973, chapter 67, section 21, 1974, chapter 100, section 10 and 1979, chapter 60, section 8, is further amended by adding thereto the following subsection:

s. 87b,
amended

(3ba) Where the capital costs referred to in subsection 3b Idem relate to the acquisition, by purchase or lease, of such public transportation vehicles with electrically driven motors as the Minister may designate or to the acquisition and installation of equipment to be used in conjunction with the vehicles which equipment is required solely because the vehicles use electrically driven motors, the Minister may direct payment of an amount equal to 90 per cent of those costs.

2. This Act comes into force on the day it receives Royal Assent. Commence-
ment
3. The short title of this Act is *The Public Transportation and Highway Improvement Amendment Act, 1981*. Short title

An Act to amend
The Public Transportation and Highway
Improvement Act

1st Reading

May 7th, 1981

2nd Reading

3rd Reading

THE HON. J. W. SNOW
Minister of Transportation and
Communications

(Government Bill)

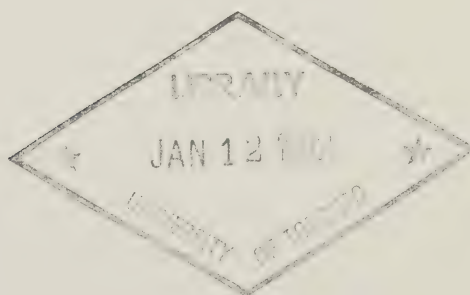
270
26
BILL 53

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

LEGISLATIVE ASSEMBLY

An Act to amend the
Public Transportation and Highway Improvement Act

THE HON. J. W. SNOW
Minister of Transportation and Communications



BILL 53

1981

An Act to amend the Public Transportation and Highway Improvement Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 94 of the *Public Transportation and Highway Improvement Act*, being chapter 421 of the Revised Statutes of Ontario, 1980, is amended by adding thereto the following subsection: s. 94,
amended

(5a) Where the capital costs referred to in subsection (5) Idem relate to the acquisition, by purchase or lease, of such public transportation vehicles with electrically driven motors as the Minister may designate or to the acquisition and installation of equipment to be used in conjunction with the vehicles which equipment is required solely because the vehicles use electrically driven motors, the Minister may direct payment of an amount equal to 90 per cent of those costs.

2. This Act comes into force on the day it receives Royal Assent. Commence-
ment
3. The short title of this Act is the *Public Transportation and Highway Improvement Amendment Act, 1981*. Short title

An Act to amend the
Public Transportation and Highway
Improvement Act

1st Reading

May 7th, 1981

2nd Reading

November 10th, 1981

3rd Reading

December 18th, 1981

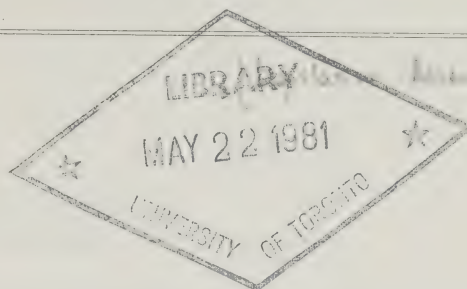
THE HON. J. W. SNOW
Minister of Transportation and
Communications

B27N
B
356

³
BILL 54

Government Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981



An Act to amend
The Public Commercial Vehicles Act

THE HON. J. W. SNOW
Minister of Transportation and Communications

TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTES

SECTION 1. Some operating licences currently authorize the transportation of milk from and to specific locations and some authorize the transportation of milk and cream for The Milk Marketing Board.

However, the transportation of milk is controlled by The Milk Marketing Board which is the initial purchaser of milk in the Province. In order to avoid conflict between the terms of an operating licence and directions that a transporter of milk may receive from The Milk Marketing Board, the Act is being amended to clarify that the directions of The Milk Marketing Board prevail notwithstanding the terms of a licence.

The carriage of cream is controlled by another board so an operating licence purporting to authorize the carriage of cream for The Milk Marketing Board is without meaning. This is reflected in the amended version.

SECTION 2. Section 6 of the Act provides for the issue of an operating licence where an applicant shows public necessity and convenience. Section 6 (9) currently provides that where an applicant has licences in provinces other than Ontario and requires a licence for the purpose of transporting goods through Ontario, public necessity and convenience shall be deemed to have been established. The provision as recast expands this provision so that the effect is that where the applicant holds licences in any jurisdiction in Canada or the United States of America, he can obtain a licence permitting him to transport goods through Ontario without having to prove public convenience and necessity.

BILL 54

1981

An Act to amend The Public Commercial Vehicles Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 5 of *The Public Commercial Vehicles Act*, being chapter 375 of the Revised Statutes of Ontario, 1970, as re-enacted by the Statutes of Ontario, 1971, chapter 50, section 71, and amended by the Statutes of Ontario, 1975 (2nd Session), chapter 7, section 1 and 1979, chapter 56, section 5, is further amended by adding thereto the following subsections: s. 5,
amended

(8) Every operating licence issued by the Minister under this section, every certificate issued by the Board under section 6 and every certificate issued before the 17th day of October, 1955, by the Ontario Municipal Board under this Act that authorizes the transportation of, Effect of
operating
licence

(a) milk from a specific farm or from specific farms, of which the milk is the product, to a specific destination point; or

(b) milk and cream for The Ontario Milk Marketing Board,

shall be deemed to authorize the transportation of milk as directed by The Ontario Milk Marketing Board and, notwithstanding any terms of the licence or certificate, shall not apply to authorize the transportation of milk from a specific farm or farms to a specific destination point or the transportation of cream for The Ontario Milk Marketing Board.

(9) In subsection 8, milk means milk as defined in *The Milk Act*. Interpretation
R.S.O. 1970,
c. 273

2. Subsection 9 of section 6 of the said Act, as enacted by the Statutes of Ontario, 1979, chapter 56, section 6, is repealed and the following substituted therefor: s. 6 (9),
re-enacted

Meaning of public necessity and convenience for purposes of subs. 1

(9) Where the application referred to in subsection 1 is for an operating licence for only the transportation of goods through the Province of Ontario, public necessity and convenience shall be deemed to have been established for the purpose of that subsection upon the applicant filing with the Board evidence satisfactory to the Board that the applicant holds appropriate operating licences issued by the jurisdictions where the transportation by the applicant will originate and terminate.

s. 8a,
enacted

3. The said Act is amended by adding thereto the following section:

Clarifying ambiguity

8a.—(1) The Minister may at any time refer an operating licence to the Board where, in the opinion of the Minister, any part is ambiguous or the rights granted by the licence are uncertain and the Board may, after a hearing of the reference as required by *The Ontario Highway Transport Board Act*, amend the certificate pursuant to which the licence was issued to resolve any ambiguity or uncertainty or where the licence has been issued pursuant to more than one certificate, issue a new certificate as set out in subsection 2, and the licence shall be amended accordingly, effective on the fifth day after the day notice of the amendment is mailed by registered mail addressed to the licensee at his last known address.

R.S.O. 1970,
c. 316

Idem

(2) Where a licence to which subsection 1 applies has been issued pursuant to more than one certificate, the Board may, when it considers the combined effect of the certificates to result in ambiguity or uncertainty, issue a certificate consolidating all the related certificates and incorporating such amendments as the Board considers necessary to resolve any ambiguity or uncertainty.

s. 12 (2),
re-enacted

4. Subsection 2 of section 12 of the said Act, as re-enacted by the Statutes of Ontario, 1979, chapter 56, section 12, is repealed and the following substituted therefor:

Limit on vehicle licences

(2) Except as provided in the regulations, the holder of an operating licence is not entitled to hold more vehicle licences than he has commercial vehicles registered in his name or leased in accordance with this Act and the regulations.

s. 12a (2),
re-enacted

5. Subsection 2 of section 12a of the said Act, as re-enacted by the Statutes of Ontario, 1979, chapter 56, section 13, is repealed and the following substituted therefor:

Expiry of vehicle licence

(2) A vehicle licence expires at the end of the last day of the period for which it was issued or where the period is extended by regulation, on the last day of the extended period.

s. 16a,
enacted

6. The said Act is further amended by adding thereto the following section:

SECTION 3. The new provision permits the Minister to refer an ambiguously worded licence to the Board for clarification.

SECTION 4. Section 12 (2) now prohibits a person from holding more vehicle licences than he has vehicles. The recast provision would permit exceptions as provided by the regulations.

SECTION 5. The words underlined are being added to the current section 12a (2).

(2) *A vehicle licence expires at the end of the last day of the period for which the licence was issued or where the period is extended by regulation, on the last day of the extended period.*

SECTION 6. The new provision makes a licence holder liable for offences under the Act committed by his driver.

SECTION 7. The amendments to the section authorizing the making of regulations are complementary to sections 4 and 5 of the Bill.

16a. The holder of an operating licence may be charged with and convicted of an offence under this Act or the regulations for which the driver of his public commercial vehicle is subject to be charged and on conviction the said holder is liable to the penalty prescribed for the offence.

Licence
holder
liable for
penalties

- 7.—(1) Subsection 1 of section 18 of the said Act, as amended by the Statutes of Ontario, 1971, chapter 50, section 71, 1973, chapter 166, section 13, 1975 (2nd Session), chapter 7, section 3, 1979, chapter 56, section 24 and 1979, chapter 97, section 2, is further amended by adding thereto the following clause:
- s. 18 (1),
amended

(da) prescribing or extending the period of time during which vehicle licences shall be in force.

- (2) Clause o of subsection 1 of the said section 18 is repealed and the following substituted therefor:
- s. 18 (1) (o),
re-enacted

(o) providing for the holding of more vehicle licences by the holder of any class of operating licence than the licensee has commercial vehicles registered in his name or leased in accordance with this Act and the regulations and prescribing terms and conditions with respect thereto.

8. This Act comes into force on the day it receives Royal Assent.
- Commence-
ment

9. The short title of this Act is *The Public Commercial Vehicles Amendment Act, 1981*.
- Short title

An Act to amend
The Public Commercial Vehicles Act

1st Reading

May 7th, 1981

2nd Reading

3rd Reading

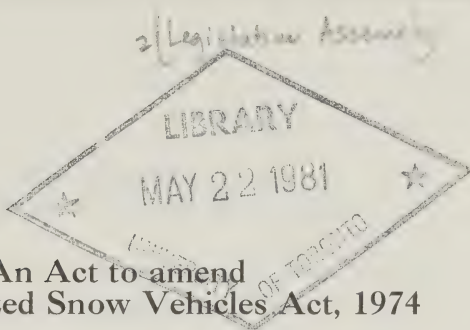
THE HON. J. W. SNOW
Minister of Transportation and
Communications

(Government Bill)

3
BILL 55

Government Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981



An Act to amend
The Motorized Snow Vehicles Act, 1974

THE HON. J. W. SNOW
Minister of Transportation and Communications

TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTES

SECTION 1. Definitions being added are complementary to section 2 of the Bill.

SECTION 2. The purpose of this provision is to cause drivers of motorized snow vehicles on a highway to stop for school buses taking on or letting off children. This is similar to the provision in *The Highway Traffic Act* in respect of motor vehicles.

SECTION 3. The Act currently provides that where there is a collision involving a motorized snow vehicle resulting in damages exceeding \$100, the person in charge of the vehicle shall report the collision. The section as redrafted increases the limit to \$400 and broadens the application of the section by referring to an accident rather than to a collision.

BILL 55

1981

An Act to amend The Motorized Snow Vehicles Act, 1974

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 1 of *The Motorized Snow Vehicles Act, 1974*, being chapter 113, as amended by the Statutes of Ontario, 1975 (2nd Session), chapter 15, section 1, is further amended by adding thereto the following clauses: s. 1,
amended

(ca) "median strip" means the portion of a highway so constructed as to separate traffic travelling in one direction from traffic travelling in the opposite direction by a physical barrier or an unpaved strip of ground;

.

(ja) "school bus" means a school bus as defined in section 120 of *The Highway Traffic Act*.

R.S.O. 1970,
c. 202

2. The said Act is amended by adding thereto the following section:

s. 5a,
enacted

5a.—(1) Every driver of a motorized snow vehicle, when approaching or overtaking on a highway a stopped school bus that has two red signal-lights flashing, shall stop his vehicle before reaching the school bus and shall not proceed until the signal-lights are no longer operating. Duty of
driver when
school bus
stopped on
highway

(2) Subsection 1 does not apply to a driver of a motorized snow vehicle on a highway with a median strip who is approaching a school bus that is stopped on the other side of the median strip.

Exception
to subs. 1

3. Section 12 of the said Act is repealed and the following substituted therefor: s. 12,
re-enacted

12.—(1) Every person in charge of a motorized snow vehicle who is directly or indirectly involved in an accident shall, if the Duty to
report
accident

accident results in personal injuries or in damage to property apparently exceeding \$400 report the accident forthwith to the nearest provincial or municipal police officer and furnish him with information in respect of,

- (a) the names and addresses of the persons involved;
- (b) the date and location of the occurrence; and
- (c) the circumstances under which the accident occurred.

Disposition
of report

(2) A police officer receiving a report of an accident under subsection 1 shall forward the report to the Registrar of Motor Vehicles within ten days of receiving it.

s. 13,
amended

4. Section 13 of the said Act, as amended by the Statutes of Ontario, 1977, chapter 20, section 1, is further amended by adding thereto the following subsection:

Exception

(5) Speed limits prescribed by this section or any regulation made or by-law passed under this section do not apply to a motorized snow vehicle operated by a police officer, constable or conservation officer in the lawful performance of his duties.

s. 14a,
enacted

5. The said Act is further amended by adding thereto the following section:

Stopping
for vehicles
with red
lights

14a.—(1) Every driver of a motorized snow vehicle when approached by,

- (a) a motorized snow vehicle with a flashing red light; or
- (b) a motor vehicle with a flashing red light, operated by a police officer or conservation officer,

shall immediately bring his vehicle to a standstill for the purpose of complying with section 14.

Where on
a roadway

(2) Where a driver to whom subsection 1 applies is on a roadway, he shall bring his vehicle to a standstill as near as is practicable to the right-hand edge of the roadway and clear of any intersection.

Red light

(3) No person except a police officer, constable or conservation officer shall operate a motorized snow vehicle that is equipped with a lamp that produces flashes of red light.

s. 19,
re-enacted

6. Section 19 of the said Act is repealed and the following substituted therefor:

SECTION 4. Section 13 of the Act sets out some speed limits for motorized snow vehicles and authorizes the setting of other speed limits by regulation and by municipal by-law. The new provision exempts police officers, et cetera, from these speed limits.

SECTION 5. Section 14 of the Act requires a driver of a motorized snow vehicle to carry his driver's licence and to identify himself when stopped by the police, et cetera. The effect of the new provision is to cause drivers of motorized snow vehicles to stop when approached by a motorized snow vehicle with a flashing red light or a motor vehicle with a flashing red light operated by a police or conservation officer. Only a police officer, constable or conservation officer may operate a motorized snow vehicle equipped with a lamp capable of producing a flashing red light.

SECTION 6. *The Occupiers' Liability Act, 1980* changed the law of owner liability and did away with the common law distinction between trespasser, licensee and invitee. Section 4 (1) of that Act sets out an owner's duty of care in respect of persons on his premises who willingly assume the risks. Section 4 (3) of that Act describes certain situations where a person is deemed to willingly assume the risks but the application is restricted to certain premises that do not include, for example, urban property and parking lots. The purpose of the new provision is to limit an owner's duty of care in respect of users of motorized snow vehicles to the standard set out in section 4 (1) of *The Occupiers' Liability Act, 1980* whatever the nature of his property.

SECTION 7. The section as recast clarifies that an owner of a motorized snow vehicle that was involved in a contravention of the Act, a regulation or a municipal by-law may be charged and convicted of the offence without the driver being convicted first.

SECTION 8. Section 22 of the Act deals with trespass on land by persons on motorized snow vehicles. *The Trespass To Property Act, 1980* now deals with trespass and a special section in *The Motorized Snow Vehicles Act* is no longer required.

19. Every person who is driving or riding on a motorized snow vehicle or is being towed by a motorized snow vehicle on any premises shall be deemed, for the purposes of subsection 1 of section 4 of *The Occupiers' Liability Act, 1980*, to have willingly assumed all risks where,

Risks willingly assumed for purposes of 1980, c. 14

- (a) no fee is paid for the entry or activity of the person, other than a benefit or payment received from a government or government agency or a non-profit recreation club or association; and
- (b) the person is not being provided with living accommodation by the occupier.

7. Section 21 of the said Act is repealed and the following substituted therefor:

s. 21, re-enacted

21. The owner of a motorized snow vehicle may be charged with and convicted of an offence under this Act or the regulations or any municipal by-law regulating, governing or prohibiting the operation of motorized snow vehicles, for which the driver of the motorized snow vehicle is subject to be charged unless, at the time of the offence, the motorized snow vehicle was in the possession of a person other than the owner without the owner's consent and on conviction the owner is liable to the penalty prescribed for the offence.

Owner may be convicted

8. Section 22 of the said Act is repealed.

s. 22, repealed

9. This Act comes into force on the day it receives Royal Assent.

Commencement

10. The short title of this Act is *The Motorized Snow Vehicles Amendment Act, 1981*.

Short title

An Act to amend
The Motorized Snow Vehicles Act, 1974

1st Reading

May 7th, 1981

2nd Reading

3rd Reading

THE HON. J. W. SNOW
Minister of Transportation and
Communications

(Government Bill)

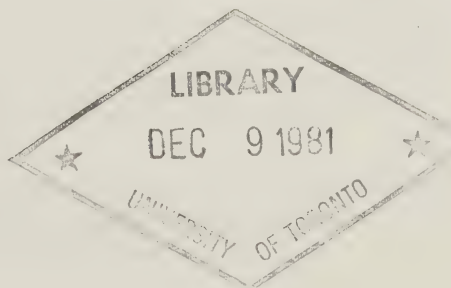
857
BILL 55
3

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981 1

LEGISLATIVE ASSEMBLY
2

An Act to amend the
Motorized Snow Vehicles Act

THE HON. J. W. SNOW
Minister of Transportation and Communications



BILL 55

1981

An Act to amend the Motorized Snow Vehicles Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 1 of the *Motorized Snow Vehicles Act*, being chapter 301 of the Revised Statutes of Ontario, 1980, is amended by adding thereto the following clauses:

(ca) "median strip" means the portion of a highway so constructed as to separate traffic travelling in one direction from traffic travelling in the opposite direction by a physical barrier or an unpaved strip of ground;

.

(ja) "school bus" means a school bus as defined in section 151 of the *Highway Traffic Act*.

R.S.O. 1980,
c. 198

2. The said Act is amended by adding thereto the following section:

s. 5a,
enacted

5a.—(1) Every driver of a motorized snow vehicle, when approaching or overtaking on a highway a stopped school bus that has two red signal-lights flashing, shall stop his vehicle before reaching the school bus and shall not proceed until the signal-lights are no longer operating.

Duty of
driver when
school bus
stopped on
highway

(2) Subsection (1) does not apply to a driver of a motorized snow vehicle on a highway with a median strip who is approaching a school bus that is stopped on the other side of the median strip.

Exception
to subs. (1)

3. Section 12 of the said Act is repealed and the following substituted therefor:

s. 12,
re-enacted

12.—(1) Every person in charge of a motorized snow vehicle who is directly or indirectly involved in an accident shall, if the

Duty to
report
accident

accident results in personal injuries or in damage to property apparently exceeding \$400 report the accident forthwith to the nearest provincial or municipal police officer and furnish him with information in respect of,

- (a) the names and addresses of the persons involved;
- (b) the date and location of the occurrence; and
- (c) the circumstances under which the accident occurred.

Disposition
of report

(2) A police officer receiving a report of an accident under subsection (1) shall forward the report to the Registrar of Motor Vehicles within ten days of receiving it.

s. 13,
amended

4. Section 13 of the said Act is amended by adding thereto the following subsection:

Exception

(5) Speed limits prescribed by this section or any regulation made or by-law passed under this section do not apply to a motorized snow vehicle operated by a police officer, constable or conservation officer in the lawful performance of his duties.

s. 15a,
enacted

5. The said Act is further amended by adding thereto the following section:

Stopping
for vehicles
with red
lights

15a.—(1) Every driver of a motorized snow vehicle when approached by,

- (a) a motorized snow vehicle with a flashing red light; or
- (b) a motor vehicle with a flashing red light, operated by a police officer or conservation officer,

shall immediately bring his vehicle to a standstill for the purpose of complying with section 15.

Where on
a roadway

(2) Where a driver to whom subsection (1) applies is on a roadway, he shall bring his vehicle to a standstill as near as is practicable to the right-hand edge of the roadway and clear of any intersection.

Red light

(3) No person except a police officer, constable or conservation officer shall operate a motorized snow vehicle that is equipped with a lamp that produces flashes of red light.

s. 20.
re-enacted

6. Section 20 of the said Act is repealed and the following substituted therefor:

20. Every person who is driving or riding on a motorized snow vehicle or is being towed by a motorized snow vehicle on any premises shall be deemed, for the purposes of subsection 4 (1) of the *Occupiers' Liability Act*, to have willingly assumed all risks where,

Risks willingly assumed for purposes of R.S.O. 1980, c. 322

- (a) no fee is paid for the entry or activity of the person, other than a benefit or payment received from a government or government agency or a non-profit recreation club or association; and
- (b) the person is not being provided with living accommodation by the occupier.

7. Section 22 of the said Act is repealed and the following substituted therefor:

s. 22, re-enacted

22. The owner of a motorized snow vehicle may be charged with and convicted of an offence under this Act or the regulations or any municipal by-law regulating, governing or prohibiting the operation of motorized snow vehicles, for which the driver of the motorized snow vehicle is subject to be charged unless, at the time of the offence, the motorized snow vehicle was in the possession of a person other than the owner without the owner's consent and on conviction the owner is liable to the penalty prescribed for the offence.

Owner may be convicted

8. Section 23 of the said Act is repealed.

s. 23, repealed

9. This Act comes into force on the day it receives Royal Assent.

Commencement

10. The short title of this Act is the *Motorized Snow Vehicles Amendment Act, 1981*.

Short title

An Act to amend the
Motorized Snow Vehicles Act

1st Reading

May 7th, 1981

2nd Reading

November 10th, 1981

3rd Reading

November 16th, 1981

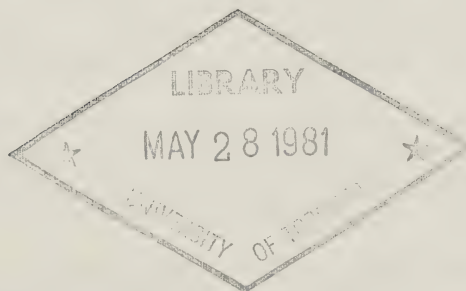
THE HON. J. W. SNOW
Minister of Transportation and
Communications

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

LEGISLATIVE ASSEMBLY

**An Act to relieve Persons from Liability
in respect of voluntary Emergency
Medical and First Aid Services**

MR. HAGGERTY



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTE

The purpose of this Bill is to relieve persons from liability in respect of voluntary emergency first aid assistance or medical services rendered at or near the scene of an accident or other sudden emergency.

BILL 56

1981

**An Act to relieve Persons from Liability
in respect of voluntary Emergency
Medical and First Aid Services**

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. In this Act,

Interpre-
tation

- (a) "physician" means a medical practitioner licensed under Part III of *The Health Disciplines Act, 1974*; 1974, c. 47
- (b) "registered nurse" means a person who is the holder of a certificate as a registered nurse issued under Part IV of *The Health Disciplines Act, 1974*.

2. Where, in respect of a person who is ill, injured or unconscious as the result of an accident or other emergency,

Relief
from
liability
for
damages

- (a) a physician or registered nurse voluntarily and without expectation of compensation or reward renders emergency medical services or first aid assistance and the services or assistance are not rendered at a hospital or other place having adequate medical facilities and equipment; or
- (b) a person other than a person mentioned in clause *a* voluntarily renders emergency first aid assistance and the assistance is rendered at the immediate scene of the accident or emergency,

the physician, registered nurse or other person shall not be liable for damages for injuries to or the death of such person alleged to have been caused by an act or omission on his or her part in rendering the medical services or first aid assistance, unless it is established that the injuries or death were caused by the gross negligence of the physician, registered nurse or other person.

Act does
not apply
to normal
medical
services

3. Nothing in section 2 shall be construed to relieve a physician from liability for damages for injuries to or the death of any person caused by an act or omission on the part of the physician in respect of medical services rendered by him in the normal and ordinary course of his practice and not under the circumstances set forth in section 2.

Commence-
ment

4. This Act comes into force on the day it receives Royal Assent.

Short title

5. The short title of this Act is *The Good Samaritan Act, 1981*.



BILL 56

an Act to relieve Persons from Liability in
respect of voluntary Emergency Medical
and First Aid Services

1st Reading

May 7th, 1981

2nd Reading

3rd Reading

MR. HAGGERTY

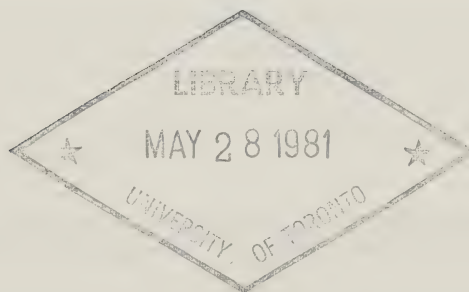
(Private Member's Bill)

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

LEGISLATIVE ASSEMBLY

**An Act respecting
the Rights of Non-Unionized Workers**

MR. HAGGERTY



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTE

The purpose of the Bill is to provide a low cost mechanism whereby a non-unionized worker may obtain a review by the Ontario Labour Relations Board where the worker is discharged or otherwise disciplined for cause and the contract of employment is silent on matters of discipline. At the present time, a non-unionized worker who is dismissed or otherwise disciplined for cause may have no right of action against his employer notwithstanding the fact that the discipline is, having regard to all of the circumstances, unduly harsh.

The Bill provides a two stage process for reviewing complaints involving harsh discipline. Initially, a labour relations officer would be appointed to effect a settlement which would be reduced to writing and which would have to be complied with according to its terms. Then, if no settlement is reached, or where settlement is not likely, the Ontario Labour Relations Board would inquire into the matter. The Board, if satisfied that the complaint is justified, will have the power to make an order substituting such penalty as is just and reasonable in the circumstances.

BILL 57

1981

An Act respecting the Rights of Non-Unionized Workers

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. In this Act,

Interpre-
tation

- (a) "Board" means the Ontario Labour Relations Board;
- (b) "complaint" means a complaint filed with the Board under subsection 1 of section 2.

2.—(1) Where an employee who has been discharged or otherwise disciplined for cause by his employer is of the opinion that the penalty is unduly harsh and where the employee's contract of employment is not governed by a collective agreement under *The Labour Relations Act* and does not contain a specific penalty for the infraction for which the discharge or other discipline was imposed, the employee may file a complaint with the Board.

Complaint
to
O.L.R.B.

R.S.O. 1970,
c. 232

(2) Any regulations governing the practice and procedure of the Board apply, with necessary modifications, to a review under subsection 2 of section 3 and to a complaint.

Procedure

(3) The Board may authorize a labour relations officer to inquire into a complaint.

Inquiry
by labour
relations
officer

(4) The labour relations officer shall forthwith inquire into the complaint and endeavour to effect a settlement of the matter.

Duties

(5) The labour relations officer shall report the results of his inquiry and endeavours to the Board.

Report

(6) Where a labour relations officer is unable to effect a settlement of the complaint or where the Board in its dis-

Remedy

cretion considers it advisable to dispense with an inquiry by a labour relations officer, the Board may inquire into the complaint and where the Board is satisfied that the discharge or other discipline imposed was unduly harsh, the Board may, by order, substitute such other penalty for the discharge or other discipline as to the Board seems just and reasonable in all the circumstances.

Idem

(7) Without limiting the generality of subsection 6,

- (a) where an employee has been discharged, the Board, in an order made under subsection 6, may order that the employee be reinstated in employment, with or without compensation or that the employee be compensated in lieu of reinstatement for loss of earnings or other employment benefits in an amount that may be assessed by the Board against the employer;
- (b) where an employee has been suspended, the Board, in an order made under subsection 6, may order that the employee be compensated for loss of earnings or other employment benefits in an amount that may be assessed by the Board against the employer.

Effect of
settlement

3.—(1) Where a complaint has been settled whether through the endeavours of the labour relations officer or otherwise, and the terms of the settlement have been put in writing and signed by the employer or his representative and the employee, the settlement is binding upon the employer and the employee and shall be complied with according to its terms.

Review of
settlement

(2) Where either the employer or the employee alleges that the other party has breached any term of a settlement referred to in subsection 1, the employer or the employee, as the case may be, may apply to the Board for a review of the matter and the Board, after an inquiry, may order that,

- (a) the employee or employer comply with the terms of the settlement; or
- (b) vary the terms of the settlement and order compliance with the terms of the settlement as varied.

Enforce-
ment of
orders

4. Where either the employer or the employee has failed to comply with any of the terms of an order made under subsection 6 of section 2 or subsection 2 of section 3 the

other party may, after the expiration of fourteen days from the date of the order or the date provided in the order for compliance, whichever is later, notify the Board in writing of such failure, and thereupon the Board shall file in the office of the Registrar of the Supreme Court a copy of the order, exclusive of the reasons therefor, if any, in the prescribed form, whereupon the order shall be entered in the same way as a judgment or order of that court and is enforceable as such.

5. The rights conferred by this Act are in addition to any other rights that an employee may have at law but, where a complaint is filed, any action brought by the employee in a court of law related to the discharge or discipline of the employee may be stayed pending the disposition of the matter by the Board. <sup>No
derogation
of rights</sup>

6. This Act comes into force on the day it receives Royal Assent. <sup>Commence-
ment</sup>

7. The short title of this Act is *The Non-Unionized Workers Protection Act, 1981*. ^{Short title}

An Act respecting the
Rights of Non-Unionized Workers

1st Reading

May 7th, 1981

2nd Reading

3rd Reading

MR. HAGGERTY

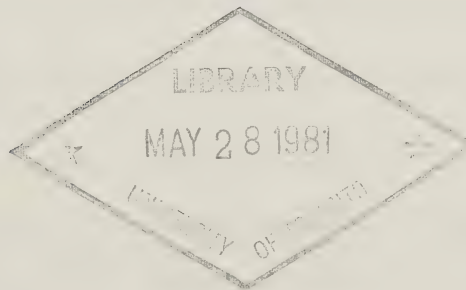
(Private Member's Bill)

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

LIBRARY
MAY 28 1981

**An Act to amend
The Labour Relations Act**

MR. HAGGERTY



EXPLANATORY NOTE

The purpose of the Bill is to provide a mechanism whereby the Lieutenant Governor in Council can order a sixty-day suspension of a strike or lock-out and order a return to work where the strike or lock-out constitutes an immediate and serious danger to life, health or safety or seriously disrupts the economy of the province or any area of the province.

The Bill provides that the Minister of Labour must appoint a conciliation officer where an order suspending a strike or lock-out has been made and may subsequently appoint a conciliation board where the efforts of the conciliation officer to effect a collective agreement are unsuccessful.

If conciliation efforts are unsuccessful, the strike or lock-out may be resumed without a further strike vote.

An order made under the Bill would be enforceable as an order of the Supreme Court.

BILL 58

1981

An Act to amend The Labour Relations Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 16 of *The Labour Relations Act*, being chapter 232 of the Revised Statutes of Ontario, 1970, is amended by adding thereto the following subsection: s. 16,
amended

(3) This section does not apply where an order has been Application made under subsection 1 of section 47a.

2. The said Act is amended by adding thereto the following section: s. 47a,
enacted

SUSPENSION OF STRIKES OR LOCK-OUTS

47a.—(1) Where during a strike or lock-out the Lieutenant Governor in Council is of the opinion that the strike or lock-out, Lieutenant
Governor
in Council
may by order
suspend a
strike or
lock-out
and order
a return
to work

(a) constitutes an immediate and serious danger to life, health or safety; or

(b) seriously disrupts the economy of the Province or any area of the Province,

the Lieutenant Governor in Council may order,

(c) a suspension of the strike or lock-out and a return to work for a period not exceeding sixty days in length, commencing on the day next following the date of the order; or

(d) a suspension of the strike or lock-out in respect of designated facilities and services that the Lieutenant Governor in Council determines are necessary or

essential to prevent immediate and serious danger to life, health or safety and a return to work with respect to such facilities and services for a period not exceeding sixty days in length, commencing on the day next following the date of the order.

Appointment
of conciliation
officer and
conciliation
board

(2) Where an order is made under clause *c* or *d* of subsection 1, the Minister shall appoint a conciliation officer and may subsequently appoint a conciliation board and sections 17 to 31 apply with necessary modifications to such appointments.

Resumption
of strike
or lock-out

(3) The parties may resume the strike or lock-out when,

(a) the Minister gives a notice to the parties under clause *b* of section 18;

(b) a conciliation board report is released under subsection 5 of section 31; or

(c) the order made under subsection 1 expires,

whichever occurs first.

Enforcement
of orders

(4) The Minister may file in the office of the Registrar of the Supreme Court a copy of an order made under subsection 1, in the prescribed form, whereupon the order shall be entered in the same way as a judgment or order of that court and is enforceable by the Minister or by a trade union or employer affected as a judgment or order of that court.

Limitation
on orders

(5) The Lieutenant Governor in Council shall not make an order under subsection 1 more than once in respect of the same dispute.

Commence-
ment

3. This Act comes into force on the day it receives Royal Assent.

Short title

4. The short title of this Act is *The Labour Relations Amendment Act, 1981*.

BILL 58

An Act to amend
The Labour Relations Act

1st Reading

May 7th, 1981

2nd Reading

3rd Reading

MR. HAGGERTY

(Private Member's Bill)

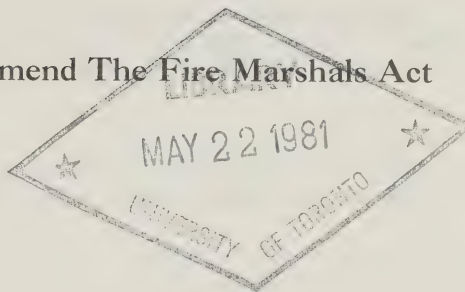
BILL 59

Government Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

Legislative Assembly

An Act to amend The Fire Marshals Act



THE HON. R. MCMURTRY
Solicitor General

TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTE

The Bill provides for the establishment of a code governing fire safety standards.

BILL 59

1981

An Act to amend The Fire Marshals Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 1 of *The Fire Marshals Act*, being chapter 172 of the Revised Statutes of Ontario, 1970, is amended by adding thereto the following clause: s. 1,
amended

(aa) "fire code" means the regulations made under section 19a.

- 2.—(1) Subsection 2 of section 19 of the said Act is amended by inserting after "property" in the tenth line "or that a provision of the fire code is being contravened". s. 19 (2),
amended

- (2) The said section 19 is amended by adding thereto the following subsections: s. 19,
amended

(2a) Where repairs, alterations or installations are carried out in compliance with an order made under this section, the repairs, alterations or installations shall be deemed not to be in contravention of the building code established under *The Building Code Act, 1974*, notwithstanding the provisions thereof. Repairs, etc.,
deemed not to
be in contra-
vention of
1974, c. 74

(2b) Where a building, other structure or premises has been constructed within the meaning of *The Building Code Act, 1974* in compliance with the building code established under that Act and continues to comply with that code as it existed at the time of construction, no officer making an inspection shall order the making of structural repairs or alterations in the building, other structure or premises. No order
where
compliance
with
1974, c. 74

(2c) Where the officer making an inspection orders the making of structural repairs or alterations in the building, other structure or premises, he shall furnish a copy of the order to the proper chief building official appointed under *The Building Code Act, 1974*. Copy of
order
1974, c. 74

s. 19a,
enacted

Regulations

3. The said Act is amended by adding thereto the following section:

19a.—(1) The Lieutenant Governor in Council may make such regulations as are considered advisable or necessary for the purpose of establishing a fire code for Ontario governing fire safety standards for buildings, other structures and premises including, but without limiting the generality of the foregoing, regulations,

- (a) prescribing any method, matter or thing relating to fire prevention and fire protection;
- (b) requiring and regulating fire prevention and fire protection equipment and systems;
- (c) requiring and regulating means of egress, fire separations, finish materials, furnishings and decorations, standards of housekeeping and heating, ventilation, air conditioning and incinerating equipment and systems;
- (d) controlling or prohibiting any material, substance, equipment or system affecting fire safety;
- (e) requiring and regulating procedures respecting fire safety and the keeping and furnishing of records and reports;
- (f) requiring the approval of the Fire Marshal in respect of any method, matter or thing;
- (g) requiring notice to be given to the Fire Marshal respecting any change in use or occupancy;
- (h) prescribing conditions for use, occupation or demolition;
- (i) exempting any class of building, other structure or premises from compliance with the regulations or any provision thereof, and attaching terms and conditions to such exemptions;
- (j) adopting by reference, in whole or in part, with such changes as the Lieutenant Governor in Council considers necessary, any code or standard and requiring compliance with any code or standard that is so adopted;
- (k) prescribing forms and providing for their use.

Limitation
of
application

(2) Any regulation made under this section may be limited in its application territorially or to any class of building, other

structure or premises or to any building, other structure or premises used for any specified purpose.

(3) The fire code does not apply to a building that is under construction within the meaning of *The Building Code Act, 1974*. Fire code does not apply
1974, c. 74

(4) The fire code supersedes all municipal by-laws respecting fire safety standards for buildings and other structures and premises. Municipal by-laws superseded

(5) Every person who contravenes any provision of the fire code and every director or officer of a corporation who knowingly concurs in such contravention is guilty of an offence and on conviction is liable to a fine of not more than \$2,000 or to imprisonment for a term of not more than one year, or to both. Offence

(6) Where a corporation is convicted of an offence under sub-section 5, the maximum penalty that may be imposed upon the corporation is \$10,000 and not as provided therein. Idem

4. Clauses *f*, *g* and *h* of section 26 of the said Act are repealed. s. 26 (*f-h*), repealed
5. This Act comes into force on the day it receives Royal Assent. Commencement
6. The short title of this Act is *The Fire Marshals Amendment Act, 1981*. Short title

An Act to amend The Fire Marshals Act

1st Reading

May 12th, 1981

2nd Reading

3rd Reading

THE HON. R. MCMURTRY
Solicitor General

(Government Bill)

BILL 59

Government Bill

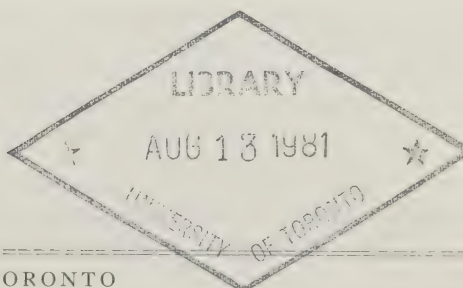
ONTARIO LEGISLATIVE ASSEMBLY

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend The Fire Marshals Act

THE HON. R. MCMURTRY
Solicitor General

(Reprinted as amended by the Administration of Justice Committee)




TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO



EXPLANATORY NOTE

The Bill provides for the establishment of a code governing fire safety standards, revises and updates the provisions of the Act respecting the making of orders and appeals therefrom and establishes the Fire Code Commission.



BILL 59

1981

An Act to amend The Fire Marshals Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 1 of *The Fire Marshals Act*, being chapter 172 of the Revised Statutes of Ontario, 1970, is amended by adding thereto the following clause: s. 1,
amended

(aa) "fire code" means the regulations made under section 19a.

- 2.—(1) Subsection 2 of section 19 of the said Act is amended by inserting after "property" in the tenth line "or that a provision of the fire code is being contravened" and by adding thereto the following clauses: s. 19 (2),
amended

(d) with the approval of the Fire Marshal and on such terms and conditions as the Fire Marshal considers proper, the closing of the buildings, other structures or premises until such time as corrective action has been taken and the hazardous condition has been rectified; and

(e) the remedying of any contravention of the fire code.

- (2) The said section 19 is amended by adding thereto the following subsections: s. 19,
amended

(2a) Where repairs, alterations or installations are carried out in compliance with an order made under this section, the repairs, alterations or installations shall be deemed not to be in contravention of the building code established under *The Building Code Act, 1974*, notwithstanding the provisions thereof. Repairs, etc.,
deemed not to
be in contra-
vention of
1974, c. 74

(2b) Where a building, other structure or premises has been constructed within the meaning of *The Building Code Act, 1974* in compliance with the building code established under that Act No order
where
compliance
with
1974, c. 74

and continues to comply with that code as it existed at the time of construction, no officer making an inspection shall order the making of structural repairs or alterations in the building, other structure or premises.

Copy of
order

(2c) Where the officer making an inspection orders the making of repairs, alterations or installations in the building, other structure or premises, he shall furnish a copy of the order to the proper chief building official appointed under *The Building Code Act, 1974*.

1974, c. 74

Contents and
service
of order

(4a) An order made by an officer under subsection 2 or 4 shall set out the reasons for the order, the action required to be taken, the time for compliance with the order and the right to request a review of the order and to apply for a hearing and appeal under this section, and a copy of the order shall be served upon the owner and occupant of the building, other structure or premises.

s. 19 (5-16),
re-enacted

(3) Subsections 5 to 16 of the said section 19 are repealed and the following substituted therefor:

Direction
by Fire
Marshal

(5) Where an order made under clause *d* of subsection 2 requires the closing of a building, other structure or premises and the Fire Marshal is of the opinion that it is necessary for the immediate protection of persons and property that the building, other structure or premises should be closed forthwith, the Fire Marshal may direct that the building, other structure or premises be closed forthwith and remain closed until the corrective action required by the order has been taken or an appeal from the order is heard and determined.

Informal
review

(6) The Fire Marshal may, upon the request in writing of the occupant or owner of the building, other structure or premises or in any other case he sees fit, review and amend or rescind an order made by an officer under subsection 2 or 4 and in so doing the Fire Marshal is not required to hold a hearing.

Appeal to
Fire Code
Commission

(7) Any person who considers himself aggrieved by an order made by the Fire Marshal or an officer under subsection 2 or 4 or amended under subsection 6 may, within ten days after the order is made or amended, apply to the Fire Code Commission for a hearing and appeal.

Powers of
Commission

(8) Where an application is made under subsection 7, the Fire Code Commission shall appoint a time for and hold the hearing and may rescind or affirm the order of the Fire Marshal or officer

or take such action as the Commission considers the Fire Marshal or officer ought to take in accordance with this section, and for such purposes the Commission may substitute its opinion for that of the Fire Marshal or officer.

(9) The Fire Code Commission may extend the time for making an application under subsection 7 either before or after expiration of the time fixed therein, where it is satisfied that there are *prima facie* grounds for granting relief to the applicant pursuant to a hearing and that there are reasonable grounds for applying for the extension and may give such directions as it considers proper consequent upon the extension, but no application for extension of time shall be made more than thirty days after the order appealed from was made or amended. ^{Extension of time}

(10) The Fire Code Commission may, upon application therefor which may be made *ex parte*, order that the order appealed from be not stayed pending the outcome of the appeal but shall take effect immediately where, in its opinion, such action is necessary in the interest of public safety. ^{Lifting of stay}

(11) Any party to the hearing before the Fire Code Commission under subsection 8 may appeal from the decision of the Commission to the Divisional Court in accordance with the rules of court. ^{Appeal to Divisional Court}

(12) The Minister is entitled to be heard, by counsel or otherwise, upon the argument of an appeal under subsection 11. ^{Minister entitled to be heard}

(13) An appeal under subsection 11 may be made on any question that is not a question of fact alone and the court may confirm or alter the decision of the Fire Code Commission or direct the Fire Marshal or officer to do any act he is authorized to do under this section or may refer the matter back to the Commission for reconsideration by the Commission as the court considers proper and the court may substitute its opinion for that of the Fire Marshal or officer or the Commission. ^{Powers of court on appeal}

(14) Every person who fails to comply with an order made under subsection 2, 4, 8 or 13 is guilty of an offence and on conviction is liable to a fine of not less than \$100 and not more than \$1,000 for every day during which the default continues, and the imposition or payment of the fine does not relieve the person from complying with the order. ^{Offence}

(15) Where an order is not complied with within thirty days after conviction under subsection 14, a provincial offences court may, upon application by the Fire Marshal or an officer which may be made *ex parte*, order the closing or removal of the building, other structure or premises or the removal of any sub- ^{Powers of provincial offences court}

stance, material or thing therefrom where, in its opinion, such action is necessary in the interest of public safety.

Owner liable
for expenses
for closing
or removal

(16) Where the order of a provincial offences court made under subsection 15 is carried out by the Fire Marshal or an officer and the building, other structure or premises are in a municipality the expenses actually and necessarily incurred by Ontario or the municipal corporation, as the case may be, may be added by the clerk to the collector's roll and may be collected as municipal taxes, and any moneys so collected that represent expenses incurred by Ontario shall be paid to Ontario.

Service
and
posting
of notice

(17) Where an order or direction made under subsection 2, 5 or 15 requires the closing of a building, other structure or premises, a copy of the order or direction shall be served upon the owner if his whereabouts in Ontario are known and shall be posted on the building, other structure or premises and no person shall enter the building, other structure or premises or remove such copy unless authorized by the Fire Marshal or an officer.

Offence

(18) Every person who contravenes subsection 17 is guilty of an offence and on conviction is liable to a fine of not more than \$2,000 or to imprisonment for a term of not more than one year, or to both.

Fine

(19) Every person who hinders or disturbs the Fire Marshal or an officer in the exercise of his duties under this section is liable on conviction under section 16 to a fine of not more than \$2,000 or to imprisonment for a term of not more than one year, or to both.

Restraining
order

(20) Where it appears to the Fire Marshal or an officer that any person does not comply with an order made under this section, notwithstanding the imposition of any penalty in respect of such noncompliance and in addition to any other rights he may have, the Fire Marshal or officer may apply to a judge of the High Court for an order directing such person to comply with such order, and upon the application, the judge may make such order as the judge thinks fit.


Appeal

(21) An appeal lies to the Divisional Court from an order made under subsection 20.

Service
of notice,
etc.

(22) Where any notice, order, direction or other document is authorized or required to be given, served or delivered to a person under this section, the document may be served personally or by mail addressed to the person or his agent for service at his last known address and, where service is by mail, the service shall be deemed to have been made on the fifth day after the day

of mailing unless the person or his agent for service establishes that he did not, acting in good faith, through absence, accident, illness or other cause beyond his control receive the document until a later date.

(23) In this section and in sections 19a and 19c, "officer" ^{Interpre-} means the Deputy Fire Marshal, a district deputy fire marshal, an ^{tation} inspector or an assistant to the Fire Marshal, unless the ~~context~~ otherwise requires. 

3.—(1) The said Act is amended by adding thereto the following ^{s. 19a,} section: ^{enacted}

19a.—(1) The Lieutenant Governor in Council may make ^{Regulations} such regulations as are considered advisable or necessary for the purpose of establishing a fire code for Ontario governing fire safety standards for buildings, other structures and premises including, but without limiting the generality of the foregoing, regulations,

- (a) prescribing any method, matter or thing relating to fire prevention and fire protection;
- (b) requiring and regulating fire prevention and fire protection equipment and systems;
- (c) requiring and regulating means of egress, fire separations, finish materials, furnishings and decorations, standards of housekeeping and heating, ventilation, air conditioning and incinerating equipment and systems;
- (d) controlling or prohibiting any material, substance, equipment or system affecting fire safety;
- (e) requiring and regulating procedures respecting fire safety and the keeping and furnishing of records and reports;
- (f) requiring the approval of the Fire Marshal in respect of any method, matter or thing;
- (g) requiring notice to be given to the Fire Marshal respecting any change in use or occupancy;
- (h) prescribing conditions for use, occupation or demolition;
- (i) exempting any class of building, other structure or premises from compliance with the regulations or any provision thereof, and attaching terms and conditions to such exemptions;

	(j) adopting by reference, in whole or in part, with such changes as the Lieutenant Governor in Council considers necessary, any code or standard and requiring compliance with any code or standard that is so adopted;
	(k) prescribing forms and providing for their use.
Limitation of application	(2) Any regulation made under this section may be limited in its application territorially or to any class of building, other structure or premises or to any building, other structure or premises used for any specified purpose.
Fire code does not apply 1974, c. 74	(3) The fire code does not apply to a building that is under construction within the meaning of <i>The Building Code Act, 1974</i> .
Municipal by-laws superseded	(4) The fire code supersedes all municipal by-laws respecting fire safety standards for buildings and other structures and premises.
Offence	(5) Every person who contravenes any provision of the fire code and every director or officer of a corporation who knowingly concurs in such contravention is guilty of an offence and on conviction is liable to a fine of not more than \$2,000 or to imprisonment for a term of not more than one year, or to both.
Idem	(6) Where a corporation is convicted of an offence under subsection 5, the maximum penalty that may be imposed upon the corporation is \$10,000 and not as provided therein.
Application of certain subsections of s. 19	(7) Where a person is convicted of an offence under subsection 5 of this section, subsections 15, 16, 17, 18 and 22 of section 19 apply with necessary modifications as if the conviction were made under subsection 14 of that section.
Idem	(8) Where a person is contravening any provision of the fire code, subsections 20 and 21 of section 19 apply with necessary modifications as if the person were not complying with an order made by an officer.
ss. 19b, 19c, enacted	(2) The said Act is further amended by adding thereto the following sections:
Fire Code Commission established	19b.—(1) The Fire Code Commission is established, composed of such number of members as is determined by the Lieutenant Governor in Council.
Appointment of members	(2) The Lieutenant Governor in Council shall appoint the members to the Commission, none of whom shall be persons in the public service of Ontario or of a municipality, and may

designate one of the members as chairman and one or more of the members as vice-chairmen.

(3) The members of the Commission shall receive such remuneration and expenses as the Lieutenant Governor in Council may determine. Remuneration

(4) Three members of the Commission constitute a quorum. Quorum

(5) The findings of fact of the Commission pursuant to a hearing shall be based exclusively on evidence admissible or matters that may be noticed under sections 15 and 16 of *The Statutory Powers Procedure Act, 1971*. Evidence 1971, c. 47

(6) Members of the Commission shall not participate in a decision of the Commission pursuant to a hearing unless they were present throughout the hearing and heard the evidence and argument of the parties and, except with the consent of the parties, no decision of the Commission shall be given unless all members so present participate in the decision. Only members at hearing to participate in decision

(7) Documents and things put in evidence at the hearing shall, upon the request of the person who produced them, be released to him by the Commission within a reasonable time after the matter in issue has been finally determined. Release of documentary evidence

(8) The Lieutenant Governor in Council may make regulations prescribing procedures of the Fire Code Commission. Regulations

19c.—(1) No action or other proceeding for damages lies or shall be instituted against a member of the Fire Code Commission, the Fire Marshal, anyone acting under his authority or an officer for an act or omission by him in good faith in the execution or intended execution of any power or duty under this Act or the regulations. Immunity from actions

(2) Subsection 1 does not relieve the Crown or a municipal corporation of liability in respect of a tort committed by a member of the Fire Code Commission, the Fire Marshal, a person acting under his authority or an officer to which either would otherwise be subject and the Crown or municipal corporation is liable for any such tort as if subsection 1 were not enacted. Liability of Crown and municipality

4. Clauses *f*, *g* and *h* of section 26 of the said Act are repealed. s. 26 (f-h), repealed

5.—(1) This Act, except section 2 and subsection 2 of section 3, comes into force on the day it receives Royal Assent. Commencement

Idem

(2) Section 2 and subsection 2 of section 3 come into force on a day to be named by proclamation of the Lieutenant Governor.

Short title

6. The short title of this Act is *The Fire Marshals Amendment Act, 1981*.

BILL 59

An Act to amend The Fire Marshals Act

1st Reading

May 12th, 1981

2nd Reading

June 15th, 1981

3rd Reading

THE HON. R. MCMURTRY
Solicitor General

*(Reprinted as amended by the
Administration of Justice Committee)*

124

356

Publications

BILL 59

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend The Fire Marshals Act

THE HON. R. MCMURTRY
Solicitor General



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

BILL 59

1981

An Act to amend The Fire Marshals Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 1 of *The Fire Marshals Act*, being chapter 172 of the Revised Statutes of Ontario, 1970, is amended by adding thereto the following clause: s. 1,
amended

(aa) "fire code" means the regulations made under section 19a.

- 2.—(1) Subsection 2 of section 19 of the said Act is amended by inserting after "property" in the tenth line "or that a provision of the fire code is being contravened" and by adding thereto the following clauses: s. 19 (2),
amended

(d) with the approval of the Fire Marshal and on such terms and conditions as the Fire Marshal considers proper, the closing of the buildings, other structures or premises until such time as corrective action has been taken and the hazardous condition has been rectified; and

(e) the remedying of any contravention of the fire code.

- (2) The said section 19 is amended by adding thereto the following subsections: s. 19,
amended

(2a) Where repairs, alterations or installations are carried out in compliance with an order made under this section, the repairs, alterations or installations shall be deemed not to be in contravention of the building code established under *The Building Code Act, 1974*, notwithstanding the provisions thereof. Repairs, etc.,
deemed not to
be in contra-
vention of
1974, c. 74

(2b) Where a building, other structure or premises has been constructed within the meaning of *The Building Code Act, 1974* in compliance with the building code established under that Act No order
where
compliance
with
1974, c. 74

and continues to comply with that code as it existed at the time of construction, no officer making an inspection shall order the making of structural repairs or alterations in the building, other structure or premises.

Copy of
order

1974, c. 74

(2c) Where the officer making an inspection orders the making of repairs, alterations or installations in the building, other structure or premises, he shall furnish a copy of the order to the proper chief building official appointed under *The Building Code Act, 1974*.

Contents and
service
of order

(4a) An order made by an officer under subsection 2 or 4 shall set out the reasons for the order, the action required to be taken, the time for compliance with the order and the right to request a review of the order and to apply for a hearing and appeal under this section, and a copy of the order shall be served upon the owner and occupant of the building, other structure or premises.

s. 19 (5-16),
re-enacted

(3) Subsections 5 to 16 of the said section 19 are repealed and the following substituted therefor:

Direction
by Fire
Marshal

(5) Where an order made under clause *d* of subsection 2 requires the closing of a building, other structure or premises and the Fire Marshal is of the opinion that it is necessary for the immediate protection of persons and property that the building, other structure or premises should be closed forthwith, the Fire Marshal may direct that the building, other structure or premises be closed forthwith and remain closed until the corrective action required by the order has been taken or an appeal from the order is heard and determined.

Informal
review

(6) The Fire Marshal may, upon the request in writing of the occupant or owner of the building, other structure or premises or in any other case he sees fit, review and amend or rescind an order made by an officer under subsection 2 or 4 and in so doing the Fire Marshal is not required to hold a hearing.

Appeal to
Fire Code
Commission

(7) Any person who considers himself aggrieved by an order made by the Fire Marshal or an officer under subsection 2 or 4 or amended under subsection 6 may, within ten days after the order is made or amended, apply to the Fire Code Commission for a hearing and appeal.

Powers of
Commission

(8) Where an application is made under subsection 7, the Fire Code Commission shall appoint a time for and hold the hearing and may rescind or affirm the order of the Fire Marshal or officer

or take such action as the Commission considers the Fire Marshal or officer ought to take in accordance with this section, and for such purposes the Commission may substitute its opinion for that of the Fire Marshal or officer.

(9) The Fire Code Commission may extend the time for making an application under subsection 7 either before or after expiration of the time fixed therein, where it is satisfied that there are *prima facie* grounds for granting relief to the applicant pursuant to a hearing and that there are reasonable grounds for applying for the extension and may give such directions as it considers proper consequent upon the extension, but no application for extension of time shall be made more than thirty days after the order appealed from was made or amended. Extension of time

(10) The Fire Code Commission may, upon application therefor which may be made *ex parte*, order that the order appealed from be not stayed pending the outcome of the appeal but shall take effect immediately where, in its opinion, such action is necessary in the interest of public safety. Lifting of stay

(11) Any party to the hearing before the Fire Code Commission under subsection 8 may appeal from the decision of the Commission to the Divisional Court in accordance with the rules of court. Appeal to Divisional Court

(12) The Minister is entitled to be heard, by counsel or otherwise, upon the argument of an appeal under subsection 11. Minister entitled to be heard

(13) An appeal under subsection 11 may be made on any question that is not a question of fact alone and the court may confirm or alter the decision of the Fire Code Commission or direct the Fire Marshal or officer to do any act he is authorized to do under this section or may refer the matter back to the Commission for reconsideration by the Commission as the court considers proper and the court may substitute its opinion for that of the Fire Marshal or officer or the Commission. Powers of court on appeal

(14) Every person who fails to comply with an order made under subsection 2, 4, 8 or 13 is guilty of an offence and on conviction is liable to a fine of not less than \$100 and not more than \$1,000 for every day during which the default continues, and the imposition or payment of the fine does not relieve the person from complying with the order. Offence

(15) Where an order is not complied with within thirty days after conviction under subsection 14, a provincial offences court may, upon application by the Fire Marshal or an officer which may be made *ex parte*, order the closing or removal of the building, other structure or premises or the removal of any sub- Powers of provincial offences court

stance, material or thing therefrom where, in its opinion, such action is necessary in the interest of public safety.

Owner liable
for expenses
for closing
or removal

(16) Where the order of a provincial offences court made under subsection 15 is carried out by the Fire Marshal or an officer and the building, other structure or premises are in a municipality the expenses actually and necessarily incurred by Ontario or the municipal corporation, as the case may be, may be added by the clerk to the collector's roll and may be collected as municipal taxes, and any moneys so collected that represent expenses incurred by Ontario shall be paid to Ontario.

Service
and
posting
of notice

(17) Where an order or direction made under subsection 2, 5 or 15 requires the closing of a building, other structure or premises, a copy of the order or direction shall be served upon the owner if his whereabouts in Ontario are known and shall be posted on the building, other structure or premises and no person shall enter the building, other structure or premises or remove such copy unless authorized by the Fire Marshal or an officer.

Offence

(18) Every person who contravenes subsection 17 is guilty of an offence and on conviction is liable to a fine of not more than \$2,000 or to imprisonment for a term of not more than one year, or to both.

Fine

(19) Every person who hinders or disturbs the Fire Marshal or an officer in the exercise of his duties under this section is liable on conviction under section 16 to a fine of not more than \$2,000 or to imprisonment for a term of not more than one year, or to both.

Restraining
order

(20) Where it appears to the Fire Marshal or an officer that any person does not comply with an order made under this section, notwithstanding the imposition of any penalty in respect of such noncompliance and in addition to any other rights he may have, the Fire Marshal or officer may apply to a judge of the High Court for an order directing such person to comply with such order, and upon the application, the judge may make such order as the judge thinks fit.

Appeal

(21) An appeal lies to the Divisional Court from an order made under subsection 20.

Service
of notice,
etc.

(22) Where any notice, order, direction or other document is authorized or required to be given, served or delivered to a person under this section, the document may be served personally or by mail addressed to the person or his agent for service at his last known address and, where service is by mail, the service shall be deemed to have been made on the fifth day after the day

of mailing unless the person or his agent for service establishes that he did not, acting in good faith, through absence, accident, illness or other cause beyond his control receive the document until a later date.

(23) In this section and in sections 19a and 19c, "officer" ^{Interpre-} means the Deputy Fire Marshal, a district deputy fire marshal, an ^{tation} inspector or an assistant to the Fire Marshal, unless the context otherwise requires.

3.—(1) The said Act is amended by adding thereto the following ^{s. 19a,} section: ^{enacted}

19a.—(1) The Lieutenant Governor in Council may make ^{Regulations} such regulations as are considered advisable or necessary for the purpose of establishing a fire code for Ontario governing fire safety standards for buildings, other structures and premises including, but without limiting the generality of the foregoing, regulations,

- (a) prescribing any method, matter or thing relating to fire prevention and fire protection;
- (b) requiring and regulating fire prevention and fire protection equipment and systems;
- (c) requiring and regulating means of egress, fire separations, finish materials, furnishings and decorations, standards of housekeeping and heating, ventilation, air conditioning and incinerating equipment and systems;
- (d) controlling or prohibiting any material, substance, equipment or system affecting fire safety;
- (e) requiring and regulating procedures respecting fire safety and the keeping and furnishing of records and reports;
- (f) requiring the approval of the Fire Marshal in respect of any method, matter or thing;
- (g) requiring notice to be given to the Fire Marshal respecting any change in use or occupancy;
- (h) prescribing conditions for use, occupation or demolition;
- (i) exempting any class of building, other structure or premises from compliance with the regulations or any provision thereof, and attaching terms and conditions to such exemptions;

(j) adopting by reference, in whole or in part, with such changes as the Lieutenant Governor in Council considers necessary, any code or standard and requiring compliance with any code or standard that is so adopted;

(k) prescribing forms and providing for their use.

Limitation
of
application

(2) Any regulation made under this section may be limited in its application territorially or to any class of building, other structure or premises or to any building, other structure or premises used for any specified purpose.

Fire code
does not
apply
1974, c. 74
Municipal
by-laws
superseded

(3) The fire code does not apply to a building that is under construction within the meaning of *The Building Code Act, 1974*.

(4) The fire code supersedes all municipal by-laws respecting fire safety standards for buildings and other structures and premises.

Offence

(5) Every person who contravenes any provision of the fire code and every director or officer of a corporation who knowingly concurs in such contravention is guilty of an offence and on conviction is liable to a fine of not more than \$2,000 or to imprisonment for a term of not more than one year, or to both.

Idem

(6) Where a corporation is convicted of an offence under subsection 5, the maximum penalty that may be imposed upon the corporation is \$10,000 and not as provided therein.

Application
of certain
subsections
of s. 19

(7) Where a person is convicted of an offence under subsection 5 of this section, subsections 15, 16, 17, 18 and 22 of section 19 apply with necessary modifications as if the conviction were made under subsection 14 of that section.

Idem

(8) Where a person is contravening any provision of the fire code, subsections 20 and 21 of section 19 apply with necessary modifications as if the person were not complying with an order made by an officer.

ss. 19b, 19c,
enacted

(2) The said Act is further amended by adding thereto the following sections:

Fire Code
Commission
established

19b.—(1) The Fire Code Commission is established, composed of such number of members as is determined by the Lieutenant Governor in Council.

Appointment
of members

(2) The Lieutenant Governor in Council shall appoint the members to the Commission, none of whom shall be persons in the public service of Ontario or of a municipality, and may

designate one of the members as chairman and one or more of the members as vice-chairmen.

(3) The members of the Commission shall receive such remuneration and expenses as the Lieutenant Governor in Council may determine. Remuneration

(4) Three members of the Commission constitute a quorum. Quorum

(5) The findings of fact of the Commission pursuant to a hearing shall be based exclusively on evidence admissible or matters that may be noticed under sections 15 and 16 of *The Statutory Powers Procedure Act, 1971*. Evidence 1971, c. 47

(6) Members of the Commission shall not participate in a decision of the Commission pursuant to a hearing unless they were present throughout the hearing and heard the evidence and argument of the parties and, except with the consent of the parties, no decision of the Commission shall be given unless all members so present participate in the decision. Only members at hearing to participate in decision

(7) Documents and things put in evidence at the hearing shall, upon the request of the person who produced them, be released to him by the Commission within a reasonable time after the matter in issue has been finally determined. Release of documentary evidence

(8) The Lieutenant Governor in Council may make regulations prescribing procedures of the Fire Code Commission. Regulations

19c.—(1) No action or other proceeding for damages lies or shall be instituted against a member of the Fire Code Commission, the Fire Marshal, anyone acting under his authority or an officer for an act or omission by him in good faith in the execution or intended execution of any power or duty under this Act or the regulations. Immunity from actions

(2) Subsection 1 does not relieve the Crown or a municipal corporation of liability in respect of a tort committed by a member of the Fire Code Commission, the Fire Marshal, a person acting under his authority or an officer to which either would otherwise be subject and the Crown or municipal corporation is liable for any such tort as if subsection 1 were not enacted. Liability of Crown and municipality

4. Clauses *f*, *g* and *h* of section 26 of the said Act are repealed. s. 26 (f-h), repealed

5.—(1) This Act, except section 2 and subsection 2 of section 3, comes into force on the day it receives Royal Assent. Commencement

Idem

(2) Section 2 and subsection 2 of section 3 come into force on a day to be named by proclamation of the Lieutenant Governor.

Short title

6. The short title of this Act is *The Fire Marshals Amendment Act, 1981*.

An Act to amend The Fire Marshals Act

1st Reading

May 12th, 1981

2nd Reading

June 15th, 1981

3rd Reading

June 26th, 1981

THE HON. R. MCMURTRY
Solicitor General

BILL 60

Private Member's Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend The Residential Tenancies Act, 1979

MR. PHILIP



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTE

The purpose of the Bill is to revise the manner of calculating interest on rent deposits under *The Residential Tenancies Act, 1979*.

BILL 60

1981

**An Act to amend
The Residential Tenancies Act, 1979**

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsection 4 of section 9 of *The Residential Tenancies Act, 1979*,
being chapter 78, is repealed and the following substituted therefor: s. 9 (4),
re-enacted

(4) A landlord shall pay annually to the tenant interest on the
rent deposit at a rate of interest equal to the highest interest rate
established for the most recent series of Canada Savings Bonds
issued before the date of the rent deposit interest payment. Interest

2. This Act comes into force on the day it receives Royal Assent. Commence-
ment
3. The short title of this Act is *The Residential Tenancies Amendment Act, 1981*. Short title

BILL 60

An Act to amend
The Residential Tenancies Act, 1979

1st Reading

May 12th, 1981

2nd Reading

3rd Reading

MR. PHILIP

(Private Member's Bill)

BILL 61

Private Member's Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend
The Residential Tenancies Act, 1979

MR. PHILIP



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTE

The purpose of the Bill is to authorize the Residential Tenancy Commission to conduct an inquiry, on its own motion, to determine whether a tenant has paid an amount of rent in excess of the amount permitted under the Act.

BILL 61

1981

**An Act to amend
The Residential Tenancies Act, 1979**

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

- 1.** Section 129 of *The Residential Tenancies Act, 1979*, being chapter 78, is amended by adding thereto the following subsection:

(3) Despite subsection 2, the Commission may, on its own motion, conduct any inquiry it considers necessary to determine whether a tenant has paid an amount of rent that is in excess of that permitted by this Part and where the Commission determines that an excess amount has been paid, the Commission shall order that the landlord pay the excess to the tenant and shall declare the rent that may lawfully be charged.

- 2.** This Act comes into force on the day it receives Royal Assent.
- 3.** The short title of this Act is *The Residential Tenancies Amendment Act, 1981*.

s. 129,
amended

Inquiry by
Commission

Commence-
ment

Short title

BILL 61

An Act to amend
The Residential Tenancies Act, 1979

1st Reading

May 12th, 1981

2nd Reading

3rd Reading

MR. PHILIP

(Private Member's Bill)

BILL 62

Private Member's Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend The Residential Tenancies Act, 1979

MR. PHILIP



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTE

The purpose of the Bill is to authorize the Residential Tenancy Commission to order payment of a tenant's costs where the Commission has determined that the tenant paid rent in excess of the amount permitted by the Act.

BILL 62

1981

**An Act to amend
The Residential Tenancies Act, 1979**

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsection 2 of section 129 of *The Residential Tenancies Act, 1979*, <sup>s. 129 (2),
re-enacted</sup> being chapter 78, is repealed and the following substituted therefor:

(2) Where, on the application of the tenant, the Commission ^{Remedy} determines that the tenant has paid an amount of rent that is in excess of that permitted by this Part, the Commission shall declare the rent that may lawfully be charged and shall order that the landlord pay to the tenant,

(a) the amount of the excess rent paid to the landlord; and

(b) the costs incurred by the tenant in bringing the application, including the tenant's loss of wages, if any, for appearing at a hearing, interest on the amount of the excess rent, and any other cost the Commission considers appropriate to be repaid to the tenant.

2. This Act comes into force on the day it receives Royal Assent. <sup>Commence-
ment</sup>
3. The short title of this Act is *The Residential Tenancies Amendment Act, 1981*. ^{Short title}

BILL 62

An Act to amend
The Residential Tenancies Act, 1979

1st Reading

May 12th, 1981

2nd Reading

3rd Reading

MR. PHILIP

(Private Member's Bill)

0120W
48
-B56

P. 11-11-11

BILL 63

Private Member's Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend The Residential Tenancies Act, 1979

MR. PHILIP



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTE

The purpose of the Bill is to provide a procedure for the Residential Tenancy Commission to review rent increases allowed by the Commission for the purpose of financing major repairs by a landlord. If the Commission determines that a landlord has not carried out the repairs or that the cost of repairs is less than the cost forecast by the landlord, the Commission may order a reduction of the rent increase.

BILL 63

1981

**An Act to amend
The Residential Tenancies Act, 1979**

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

- 1.** *The Residential Tenancies Act, 1979*, being chapter 78, is amended by adding thereto the following section: s. 131a,
enacted

131a.—(1) Where, in an application under section 126, a landlord indicates that one of the reasons for an intended rent increase is that the landlord wishes to make major repairs to the residential complex and the Commission allows an increase for this purpose, the Commission may conduct a hearing, a reasonable time after the increased rent takes effect, to ensure that the repairs have been carried out. Major
repairs

(2) Where the Commission, after a hearing under subsection 1, determines that major repairs proposed by the landlord have not been carried out or that the cost of repairs is less than the cost forecast by the landlord, the Commission may reduce the amount of the rent increase and may order the landlord to reimburse the tenant for the amount of any excess rent paid to the landlord from the date that the previous rent increase took effect. Order
reducing
rent
increase

- 2.** This Act comes into force on the day it receives Royal Assent. Commence-
ment
- 3.** The short title of this Act is *The Residential Tenancies Amendment Act, 1981*. Short title

BILL 63

An Act to amend
The Residential Tenancies Act, 1979

1st Reading

May 12th, 1981

2nd Reading

3rd Reading

MR. PHILIP

(Private Member's Bill)

11474
86
-356
BILL 64

Private Member's Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

**An Act to amend
The Residential Tenancies Act, 1979**

MR. PHILIP



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTE

The purpose of the Bill is to require a landlord who obtains vacant possession of a rental unit for the purpose of making repairs or renovations to the unit to apply to the Residential Tenancy Commission for an order determining the rent that may be charged for the repaired or renovated unit.

BILL 64

1981

**An Act to amend
The Residential Tenancies Act, 1979**

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. *The Residential Tenancies Act, 1979*, being chapter 78, is amended by adding thereto the following section:

s. 131a,
enacted

131a.—(1) Where the tenancy of a tenant is terminated on the ground that the landlord requires possession of the rental unit for the purpose of repairs or renovations under section 103d of *The Landlord and Tenant Act* or subsection 1 of section 52 of this Act, the landlord shall not offer the rental unit for rent until the landlord has applied to the Commission for an order under subsection 2 determining the rent that may be charged for the rental unit.

Application
to
Commission
R.S.O. 1970,
c. 236

(2) Where an application is made by a landlord under section 126, the Commission shall determine the amount of rent for each rental unit that is justified by,

Determination
of rent for
renovated
unit

(a) the costs of the repairs or renovations; and

(b) the loss of revenue during the period that the repairs or renovations were carried out.

(3) The rent determined under subsection 2 shall be the rent at which the rental unit is offered,

Unit to be
offered at
established
rent

(a) to a tenant who has a right of first refusal under subsection 3 of section 103d of *The Landlord and Tenant Act* or subsection 5 of section 52 of this Act; or

(b) where a tenant does not exercise a right of first refusal, to any other person who wishes to rent the unit.

2. This Act comes into force on the day it receives Royal Assent.

Commence-
ment

Short title

- 3.** The short title of this Act is *The Residential Tenancies Amendment Act, 1981*.

BILL 64

An Act to amend
The Residential Tenancies Act, 1979

1st Reading

May 12th, 1981

2nd Reading

3rd Reading

MR. PHILIP

(Private Member's Bill)

CH22W
XB
-B56

GOVERNMENT
Publications

BILL 65

Private Member's Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend The Residential Tenancies Act, 1979

MR. PHILIP



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTE

The purpose of the Bill is to require a landlord, upon the request of a tenant, to file receipts for expenditures made by the landlord with the Residential Tenancy Commission.

BILL 65

1981

**An Act to amend
The Residential Tenancies Act, 1979**

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 126 of *The Residential Tenancies Act, 1979*, being chapter 78, is amended by adding thereto the following subsections: s. 126,
amended

(5) Upon the request of a tenant, a landlord shall include Receipts receipts for each expenditure over \$100 in the material filed with the Commission under subsection 4.

(6) Where a landlord is required to file receipts with the Com- Where no mission, the landlord may include expenditures for which the receipts landlord has not filed receipts in his operating costs, financing for ex- costs and capital expenditures but the unreceipted expenditures penditures shall not exceed 5 per cent of the total of such costs and capital expenditures.

2. This Act comes into force on the day it receives Royal Assent. Commence-
ment
3. The short title of this Act is *The Residential Tenancies Amendment Act, 1981*. Short title

An Act to amend
The Residential Tenancies Act, 1979

1st Reading

May 12th, 1981

2nd Reading

3rd Reading

MR. PHILIP

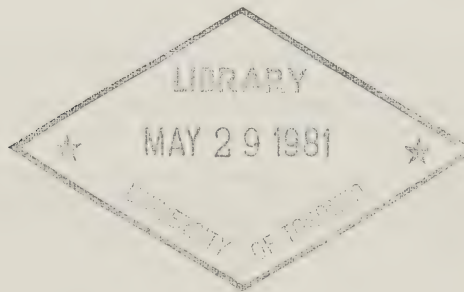
(Private Member's Bill)

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

LEGISLATIVE ASSEMBLY

An Act to amend The Residential Tenancies Act, 1979

MR. PHILIP



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTES

The purpose of the Bill is to make several amendments to Part IX of the Act governing the procedure of the Residential Tenancy Commission.

SECTION 1. Section 1 of the Bill contains an amendment to the Act that requires the Commission, when determining the real merits and justice of the case before it, to have regard to the interests of the tenants residing in residential premises that are maintained in good repair and fit for habitation.

SECTION 2. Clause *a* of subsection 3 of section 103 of the Act states that a Commissioner is not disqualified from holding a hearing and determining a matter by reason only of the fact that the Commissioner attempted to assist the parties to the proceeding in settling the matter by agreement. This provision is repealed.

SECTION 3. The proposed subsection 2 of section 108 of the Act requires the Commission to give two days notice to the parties before conducting an inspection under section 108 and to give the parties the opportunity to attend on the inspection.

BILL 66

1981

An Act to amend The Residential Tenancies Act, 1979

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsection 2 of section 93 of *The Residential Tenancies Act, 1979*,
being chapter 78, is repealed and the following substituted therefor:

s. 93 (2),
re-enacted

 - (2) In determining the real merits and justice of the case, the
Commission shall ascertain the real substance of all transactions
and activities relating to the residential complex and the good faith
of the participants and, in doing so,

Commission
to ascertain
substance of
transactions
and activities,
etc.

 - (a) may disregard the outward form of the transactions or
the separate corporate existence of the participants; and
 - (b) may have regard to the pattern of activities relating to
the residential complex; and
 - (c) shall have regard to the interests of the tenants residing
in residential premises that are maintained in good
repair and fit for habitation and in compliance with the
by-laws of the municipality in which the premises are
situated.
2. Clause *a* of subsection 3 of section 103 of the said Act is repealed.

s. 103 (3) (a),
repealed
3. Section 108 of the said Act is amended by adding thereto the
following subsection:

s. 108,
amended

 - (2) Where the Commission proposes to conduct an inspection,
the Commission shall notify the parties to the hearing at least two
days before the inspection is to take place and shall give the parties
the opportunity to attend on the inspection.

Notice of
inspection
4. This Act comes into force on the day it receives Royal Assent.

Commence-
ment
5. The short title of this Act is *The Residential Tenancies Amendment
Act, 1981*.

Short title

BILL 66

An Act to amend
The Residential Tenancies Act, 1979

1st Reading

May 12th, 1981

2nd Reading

3rd Reading

MR. PHILIP

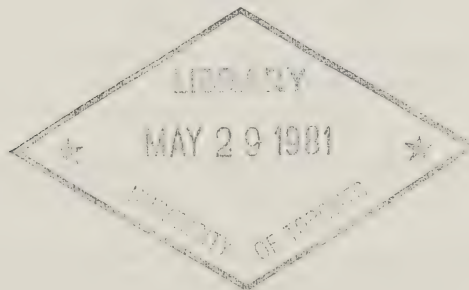
(Private Member's Bill)

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

MANITIVA JOURNAL

**An Act to establish
the Ministry of Municipal Affairs and Housing**

THE HON. C. BENNETT
Minister of Housing



EXPLANATORY NOTE

The purpose of the Bill is to establish the Ministry of Municipal Affairs and Housing. The Ministry will be responsible for municipal affairs, community planning, community development, land development and housing and related matters in Ontario, as set out in section 4 of the Bill.

BILL 67

1981

An Act to establish the Ministry of Municipal Affairs and Housing

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. In this Act,

Interpre-
tation

- (a) "Deputy Minister" means the Deputy Minister of Municipal Affairs and Housing;
- (b) "Minister" means the Minister of Municipal Affairs and Housing;
- (c) "Ministry" means the Ministry of Municipal Affairs and Housing;
- (d) "municipality" means the corporation of a metropolitan, regional or district municipality, a county, city, town, village, township or improvement district and includes a local board thereof, as defined in clause *d* of section 1 of *The Municipal Affairs Act*, and a board, commission, conservation authority or other local authority exercising any power with respect to municipal affairs or purposes, including school purposes, in territory without municipal organization.

R.S.O. 1970,
c. 118

2. There shall be a ministry of the public service to be known as the Ministry of Municipal Affairs and Housing.

Ministry
established

3. The Minister shall preside over and have charge of the Ministry and has power to act for and on behalf of the Ministry.

Minister to
have charge

4.—(1) The Minister is responsible for the policies and programs of the Government of Ontario in relation to,

Functions
of
Minister

- (a) municipal affairs, including the co-ordination of programs of financial assistance to municipalities;

(b) community planning, community development, maintenance and improvement of the built environment and land development; and

(c) housing and related matters.

Implement-
ation of
policies and
programs

(2) The Minister may take such measures as he considers appropriate to implement any policy or program referred to in subsection 1, including entering into any agreements for such purpose with any municipality or with any other person.

Power of
municipalities
to enter into
agreements

(3) A municipality may enter into and perform agreements with the Minister under subsection 2.

Adminis-
tration
of Acts

(4) The Minister is responsible for the administration of this Act, the Acts set out in the Schedule and the Acts that are assigned to him by the Legislature or by the Lieutenant Governor in Council.

Advances,
grants, etc.

(5) The Minister, out of moneys appropriated therefor by the Legislature,

(a) may make any advances, grants and loans and provide any other financial assistance that may be made or provided by the Lieutenant Governor in Council under section 2 of *The Housing Development Act*; or

R.S.O. 1970,
c. 213

(b) may make advances, grants and loans and provide other financial assistance to assist in the implementation of the policies and programs referred to in clauses b and c of subsection 1.

Exercise of
Ministry
powers

(6) The Minister may exercise the powers conferred on the Ministry in any general or special Act for which the Minister is responsible.

Deputy
Minister

5.—(1) The Lieutenant Governor in Council shall appoint a Deputy Minister of Municipal Affairs and Housing who shall be the deputy head of the Ministry.

Idem

(2) Under the direction of the Minister, the Deputy Minister shall perform such duties as the Minister may assign or delegate to him.

Delegation
of powers
and duties

6.—(1) Where, under this or any other Act, a power or duty is granted to or vested in the Minister, he may in writing delegate that power or duty to the Deputy Minister, or to any officer or employee of the Ministry or of a Crown agency described in subsection 1 of section 8, subject to such limitations, restrictions, conditions and requirements as the Minister may set out in his delegation.

(2) Notwithstanding *The Executive Council Act*, a contract or an agreement made by a person empowered to do so under a delegation made under subsection 1 has the same effect as if made and signed by the Minister.

Contracts
and
agreements
R.S.O. 1970,
c. 153

7.—(1) No action or other proceeding for damages shall be instituted against the Deputy Minister, or any officer or employee of the Ministry, or anyone acting under his authority for any act done in good faith in the execution or intended execution of his duty, or for any alleged neglect or default in the execution in good faith of his duty.

Protection
from
personal
liability

(2) Subsection 1 does not, by reason of subsections 2 and 4 of section 5 of *The Proceedings Against the Crown Act*, relieve the Crown of liability in respect of a tort committed by a person mentioned in subsection 1 to which it would otherwise be subject, and the Crown is liable under that Act for any such tort in a like manner as if subsection 1 had not been enacted.

Crown
liability
R.S.O. 1970,
c. 365

8.—(1) Where, under this or any other Act, the Minister is made responsible for the administration of a Crown agency or for the administration of an Act relating to a Crown agency, the Minister may give policy and detailed operational direction to that agency and the agency shall follow the direction.

Control over
Crown
agencies

(2) Notwithstanding subsection 3 of section 6 of *The Ontario Housing Corporation Act*, where any agreement entered into by the Minister under *The Housing Development Act* provides that the rights of the Minister and Her Majesty in Right of Ontario under the agreement do not vest in the Ontario Housing Corporation, such rights and obligations remain as rights and obligations of the Minister or of Her Majesty in right of Ontario and do not vest in the Corporation.

Ontario
Housing
Corporation
agreements
R.S.O. 1970,
cc. 317, 213

(3) The Minister may, by order, divest the Ontario Housing Corporation of all its rights under any agreement mentioned in section 6 of *The Ontario Housing Corporation Act* and, where an order is made divesting the Corporation of its rights under such an agreement, the rights of the Corporation become vested in Her Majesty in Right of Ontario and all obligations under the agreement become obligations of Her Majesty in Right of Ontario.

Idem
R.S.O. 1970,
c. 317

9.—(1) The Minister may authorize the use of a facsimile of his signature and the Deputy Minister may authorize the use of a facsimile of his signature on any document except an affidavit or a statutory declaration.

Facsimile
signature
authorized

(2) A facsimile of the signature of the Minister or the Deputy Minister affixed to a document under an authorization made

Idem

under subsection 1 shall be deemed to be the signature of the Minister or the Deputy Minister, as the case may be.

Seal **10.**—(1) The Lieutenant Governor in Council may authorize a seal for the Minister and prescribe its use on documents.

Idem (2) The seal may be reproduced by engraving, lithographing, printing or any other method of mechanical reproduction and, when so produced, has the same force and effect as if manually affixed.

Advisory committees **11.** The Minister may establish advisory committees to the Minister and sub-committees thereto, appoint chairmen and members of such committees and sub-committees and fix the remuneration and expenses of the chairmen and members of committees and sub-committees and the remuneration and expenses shall be paid out of the moneys appropriated therefor by the Legislature.

References to Ministers and Ministries **12.**—(1) A reference to the Minister of Intergovernmental Affairs or the Minister of Housing, as the case may be, in any Act listed in the Schedule, or in any regulation, order in council, ministerial order, act or thing made or done under any such Act, shall be deemed to be a reference to the Minister of Municipal Affairs and Housing, so long as the Minister administers such Act, and a reference therein to the Ministry of Intergovernmental Affairs or the Ministry of Housing shall be deemed to be a reference to the Ministry of Municipal Affairs and Housing.

Saving (2) Nothing in this Act invalidates any regulation, ministerial order, act or thing made or done under any Act listed in the Schedule prior to the day this Act receives Royal Assent.

Amendments to Schedule **13.** The Lieutenant Governor in Council may, by order, amend the Schedule.

1973, c. 52, s. 22a(1), re-enacted **14.** Subsection 1 of section 22a of *The Niagara Escarpment Planning and Development Act, 1973*, being chapter 52, as enacted by the Statutes of Ontario, 1974, chapter 52, section 3, is repealed and the following substituted therefor:

Interpretation (1) In this section and in section 23, subsections 1, 3 to 9 and 11 and 12 of section 24 and section 25, "Minister" means the Minister of Municipal Affairs and Housing.

1978, c. 64, s. 1 (b), amended **15.**—(1) Clause *b* of section 1 of *The Ministry of Intergovernmental Affairs Act, 1978*, being chapter 64, is amended by striking out "or any municipality" in the seventh line.

s. 1 (e), repealed (2) Clause *e* of the said section 1 is repealed.

(3) Subsection 2 of section 5 of the said Act is repealed. s. 5 (2),
repealed

(4) Subsection 3 of the said section 5 is amended by striking out "subsections 1 and 2" in the third and fourth lines and inserting in lieu thereof "subsection 1". s. 5 (3),
amended

(5) Subsection 4 of the said section 5 is amended by striking out "the Acts set out in the Schedule" in the second line. s. 5 (4),
amended

(6) Sections 8 and 9 of the said Act are repealed. ss. 8, 9,
repealed

(7) The Schedule to the said Act is repealed. Schedule,
repealed

16. *The Ministry of Housing Act, 1973*, being chapter 100, and *The Ministry of Housing Amendment Act, 1974*, being chapter 14, are repealed. Repeals

17. This Act shall be deemed to have come into force on the 1st day of April, 1981. Commence-
ment

18. The short title of this Act is *The Ministry of Municipal Affairs and Housing Act, 1981*. Short title

SCHEDULE

The Brantford-Brant Annexation Act, 1980
The City of Cornwall Annexation Act, 1974
The City of Gloucester Act, 1980
The City of Hamilton Act, 1975
The City of Hazeldean-March Act, 1978
The City of Nepean Act, 1978
The City of Port Colborne Act, 1974
The City of Sudbury Hydro-Electric Service Act, 1980
The City of Thorold Act, 1975
The City of Thunder Bay Act, 1968-69
The City of Timmins-Porcupine Act, 1972
The County of Oxford Act, 1974
The District Municipality of Muskoka Act
The District of Parry Sound Local Government Act, 1979
The Durham Municipal Hydro-Electric Service Act, 1979
The Elderly Persons' Housing Aid Act
The Haliburton Act
The Halton Municipal Hydro-Electric Service Act, 1979
The Hamilton-Wentworth Municipal Hydro-Electric Service Act, 1980
The Housing Development Act
The Line Fences Act, 1979
The Local Improvement Act
The Moosonee Development Area Board Act
The Municipal Act
The Municipal Affairs Act
The Municipal Arbitrations Act
The Municipal Conflict of Interest Act, 1972
The Municipal Corporations Quieting Orders Act
The Municipal Elderly Residents' Assistance Act, 1973

The Municipal Elections Act, 1977
 The Municipal Franchises Act
 The Municipal Subsidies Adjustment Repeal Act, 1976
 The Municipal Tax Assistance Act
 The Municipal Unemployment Relief Act, 1971
 The Municipal Works Assistance Act
 The Municipality of Metropolitan Toronto Act
 The Municipality of Shuniah Act, 1936
 The North Pickering Development Corporation Act, 1974
 The Ontario Housing Corporation Act
 The Ontario Land Corporation Act, 1974
 The Ontario Planning and Development Act, 1973
 The Ontario Student Housing Corporation Act, 1978
 The Ontario Unconditional Grants Act, 1975
 The Ontario Youth Employment Act, 1977
 The Ottawa-Carleton Amalgamations and Elections Act, 1973
 The Ottawa-Carleton Municipal Hydro-Electric Service Act, 1980
 The Oxford Municipal Hydro-Electric Service Act, 1977
 The Parkway Belt Planning and Development Act, 1973
 The Peel Municipal Hydro-Electric Service Act, 1977
 The Planning Act
 The Police Village of St. George Act, 1980
 The Provincial Parks Municipal Tax Assistance Act, 1974
 The Public Parks Act
 The Public Utilities Act
 The Public Utilities Corporations Act
 The Regional Municipality of Durham Act, 1973
 The Regional Municipality of Haldimand-Norfolk Act, 1973
 The Regional Municipality of Halton Act, 1973
 The Regional Municipality of Hamilton-Wentworth Act, 1973
 The Regional Municipality of Niagara Act
 The Regional Municipality of Ottawa-Carleton Act
 The Regional Municipality of Ottawa-Carleton Land Acquisition Act, 1980
 The Regional Municipality of Peel Act, 1973
 The Regional Municipality of Sudbury Act, 1972
 The Regional Municipality of Waterloo Act, 1972
 The Regional Municipality of York Act
 The Road Access Act, 1978
 The Shoreline Property Assistance Act, 1973
 The Snow Roads and Fences Act
 The Statute Labour Act
 The Tax Sales Confirmation Act, 1974
 The Territorial Division Act
 The Tom Longboat Act, 1980
 The Toronto District Heating Corporation Act, 1980
 The Toronto Islands Act, 1980
 The Town of Wasaga Beach Act, 1973
 The Township of North Plantagenet Act, 1976
 The Village of Point Edward Act, 1979
 The Waterloo Electrical Service Areas Act, 1977
 The Wharfs and Harbours Act
 The York Municipal Hydro-Electric Service Act, 1978

An Act to establish the
Ministry of Municipal Affairs and Housing

1st Reading

May 14th, 1981

2nd Reading

3rd Reading

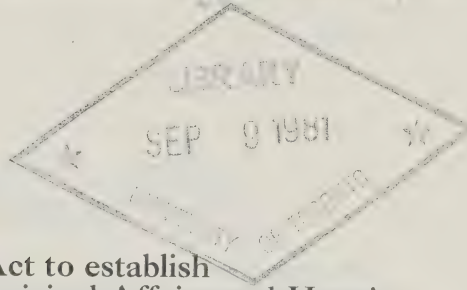
THE HON. C. BENNETT
Minister of Housing

(Government Bill)

3
11 BILL 67

Government Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981



**An Act to establish
the Ministry of Municipal Affairs and Housing**

THE HON. C. BENNETT
Minister of Housing

(Reprinted as amended by the Committee of the Whole House)

TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTE

The purpose of the Bill is to establish the Ministry of Municipal Affairs and Housing. The Ministry will be responsible for municipal affairs, community planning, community development, land development and housing and related matters in Ontario, as set out in section 4 of the Bill.

BILL 67

1981

An Act to establish the Ministry of Municipal Affairs and Housing

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. In this Act,

Interpre-
tation

- (a) "Deputy Minister" means the Deputy Minister of Municipal Affairs and Housing;
- (b) "Minister" means the Minister of Municipal Affairs and Housing;
- (c) "Ministry" means the Ministry of Municipal Affairs and Housing;
- (d) "municipality" means the corporation of a metropolitan, regional or district municipality, a county, city, town, village, township or improvement district and includes a local board thereof, as defined in clause *d* of section 1 of *The Municipal Affairs Act*, and a board, commission, conservation authority or other local authority exercising any power with respect to municipal affairs or purposes, including school purposes, in territory without municipal organization.

R.S.O. 1970,
c. 118

2. There shall be a ministry of the public service to be known as the Ministry of Municipal Affairs and Housing.

Ministry
established

3. The Minister shall preside over and have charge of the Ministry and has power to act for and on behalf of the Ministry.

Minister to
have charge

4.—(1) The Minister is responsible for the policies and programs of the Government of Ontario in relation to,

Functions
of
Minister

- (a) municipal affairs, including the co-ordination of programs of financial assistance to municipalities;

(b) community planning, community development, maintenance and improvement of the built environment and land development; and

(c) housing and related matters.

Implement-
ation of
policies and
programs

(2) The Minister may take such measures as he considers appropriate to implement any policy or program referred to in subsection 1, including entering into any agreements for such purpose with any municipality or with any other person.

Power of
municipalities
to enter into
agreements

(3) A municipality may enter into and perform agreements with the Minister under subsection 2.

Adminis-
tration
of Acts

(4) The Minister is responsible for the administration of this Act, the Acts set out in the Schedule and the Acts that are assigned to him by the Legislature or by the Lieutenant Governor in Council.

Advances,
grants, etc.

(5) The Minister, out of moneys appropriated therefor by the Legislature,

(a) may make any advances, grants and loans and provide any other financial assistance that may be made or provided by the Lieutenant Governor in Council under section 2 of *The Housing Development Act*; or

R.S.O. 1970,
c. 213

(b) may make advances, grants and loans and provide other financial assistance to assist in the implementation of the policies and programs referred to in clauses *b* and *c* of subsection 1.

Exercise of
Ministry
powers

(6) The Minister may exercise the powers conferred on the Ministry in any general or special Act for which the Minister is responsible.

Annual
report

(7) The Minister after the close of each year shall submit to the Lieutenant Governor in Council an annual report upon the affairs of the Ministry and shall then lay the report before the Assembly if it is in session or, if not, at the next ensuing session.

Deputy
Minister

5.—(1) The Lieutenant Governor in Council shall appoint a Deputy Minister of Municipal Affairs and Housing who shall be the deputy head of the Ministry.

Idem

(2) Under the direction of the Minister, the Deputy Minister shall perform such duties as the Minister may assign or delegate to him.

Delegation
of powers
and duties

6.—(1) Where, under this or any other Act, a power or duty is granted to or vested in the Minister, he may in writing delegate

that power or duty to the Deputy Minister, or to any officer or employee of the Ministry or of a Crown agency described in subsection 1 of section 8, subject to such limitations, restrictions, conditions and requirements as the Minister may set out in his delegation.

(2) Notwithstanding *The Executive Council Act*, a contract or an agreement made by a person empowered to do so under a delegation made under subsection 1 has the same effect as if made and signed by the Minister.

Contracts and agreements
R.S.O. 1970,
c. 153

7.—(1) No action or other proceeding for damages shall be instituted against the Deputy Minister, or any officer or employee of the Ministry, or anyone acting under his authority for any act done in good faith in the execution or intended execution of his duty, or for any alleged neglect or default in the execution in good faith of his duty.

Protection from personal liability

(2) Subsection 1 does not, by reason of subsections 2 and 4 of section 5 of *The Proceedings Against the Crown Act*, relieve the Crown of liability in respect of a tort committed by a person mentioned in subsection 1 to which it would otherwise be subject, and the Crown is liable under that Act for any such tort in a like manner as if subsection 1 had not been enacted.

Crown liability
R.S.O. 1970,
c. 365

8.—(1) Where, under this or any other Act, the Minister is made responsible for the administration of a Crown agency or for the administration of an Act relating to a Crown agency, the Minister may give policy direction to that agency and the agency shall follow the direction.

Control over Crown agencies

(2) Notwithstanding subsection 3 of section 6 of *The Ontario Housing Corporation Act*, where any agreement entered into by the Minister under *The Housing Development Act* provides that the rights of the Minister and Her Majesty in Right of Ontario under the agreement do not vest in the Ontario Housing Corporation, such rights and obligations remain as rights and obligations of the Minister or of Her Majesty in right of Ontario and do not vest in the Corporation.

Ontario Housing Corporation agreements
R.S.O. 1970,
cc. 317, 213

(3) The Minister may, by order, divest the Ontario Housing Corporation of all its rights under any agreement mentioned in section 6 of *The Ontario Housing Corporation Act* and, where an order is made divesting the Corporation of its rights under such an agreement, the rights of the Corporation become vested in Her Majesty in Right of Ontario and all obligations under the agreement become obligations of Her Majesty in Right of Ontario.

Idem
R.S.O. 1970,
c. 317

Facsimile
signature
authorized

9.—(1) The Minister may authorize the use of a facsimile of his signature and the Deputy Minister may authorize the use of a facsimile of his signature on any document except an affidavit or a statutory declaration.

Idem

(2) A facsimile of the signature of the Minister or the Deputy Minister affixed to a document under an authorization made under subsection 1 shall be deemed to be the signature of the Minister or the Deputy Minister, as the case may be.

Seal

10.—(1) The Lieutenant Governor in Council may authorize a seal for the Minister and prescribe its use on documents.

Idem

(2) The seal may be reproduced by engraving, lithographing, printing or any other method of mechanical reproduction and, when so produced, has the same force and effect as if manually affixed.

Advisory
committees

11. The Minister may establish advisory committees to the Minister and sub-committees thereto, appoint chairmen and members of such committees and sub-committees and fix the remuneration and expenses of the chairmen and members of committees and sub-committees and the remuneration and expenses shall be paid out of the moneys appropriated therefor by the Legislature.

References
to
Ministers
and
Ministries

12.—(1) A reference to the Minister of Intergovernmental Affairs or the Minister of Housing, as the case may be, in any Act listed in the Schedule, or in any regulation, order in council, ministerial order, act or thing made or done under any such Act, shall be deemed to be a reference to the Minister of Municipal Affairs and Housing, so long as the Minister administers such Act, and a reference therein to the Ministry of Intergovernmental Affairs or the Ministry of Housing shall be deemed to be a reference to the Ministry of Municipal Affairs and Housing.

Saving

(2) Nothing in this Act invalidates any regulation, ministerial order, act or thing made or done under any Act listed in the Schedule prior to the day this Act receives Royal Assent.

Amendments
to Schedule

13. The Lieutenant Governor in Council may, by order, amend the Schedule.

1973, c. 52,
s. 22a(1),
re-enacted

14. Subsection 1 of section 22a of *The Niagara Escarpment Planning and Development Act*, 1973, being chapter 52, as enacted by the Statutes of Ontario, 1974, chapter 52, section 3, is repealed and the following substituted therefor:

Interpre-
tation

(1) In this section and in section 23, subsections 1, 3 to 9 and 11 and 12 of section 24 and section 25, "Minister" means the Minister of Municipal Affairs and Housing.

15.—(1) Clause *b* of section 1 of *The Ministry of Inter-* 1978, c. 64,
governmental Affairs Act, 1978, being chapter 64, is amended by ^{s. 1 (b),} amended
 striking out “or any municipality” in the seventh line.

(2) Clause *e* of the said section 1 is repealed. s. 1 (e),
repealed

(3) Subsection 2 of section 5 of the said Act is repealed. s. 5 (2),
repealed

(4) Subsection 3 of the said section 5 is amended by striking s. 5 (3),
amended
 out “subsections 1 and 2” in the third and fourth lines and
 inserting in lieu thereof “subsection 1”.

(5) Subsection 4 of the said section 5 is amended by striking s. 5 (4),
amended
 out “the Acts set out in the Schedule” in the second line.

(6) Sections 8 and 9 of the said Act are repealed. ss. 8, 9,
repealed

(7) The Schedule to the said Act is repealed. Schedule,
repealed

16. *The Ministry of Housing Act, 1973*, being chapter 100, Repeals
 and *The Ministry of Housing Amendment Act, 1974*, being
 chapter 14, are repealed.

17. This Act shall be deemed to have come into force on the Commence-
ment
 1st day of April, 1981.

18. The short title of this Act is *The Ministry of Municipal* Short title
Affairs and Housing Act, 1981.

SCHEDULE

The Brantford-Brant Annexation Act, 1980
 The City of Cornwall Annexation Act, 1974
 The City of Gloucester Act, 1980
 The City of Hamilton Act, 1975
 The City of Hazeldean-March Act, 1978
 The City of Nepean Act, 1978
 The City of Port Colborne Act, 1974
 The City of Sudbury Hydro-Electric Service Act, 1980
 The City of Thorold Act, 1975
 The City of Thunder Bay Act, 1968-69
 The City of Timmins-Porcupine Act, 1972
 The County of Oxford Act, 1974
 The District Municipality of Muskoka Act
 The District of Parry Sound Local Government Act, 1979
 The Durham Municipal Hydro-Electric Service Act, 1979
 The Elderly Persons' Housing Aid Act
 The Haliburton Act
 The Halton Municipal Hydro-Electric Service Act, 1979
 The Hamilton-Wentworth Municipal Hydro-Electric Service Act, 1980
 The Housing Development Act
 The Line Fences Act, 1979
 The Local Improvement Act

The Moosonee Development Area Board Act
 The Municipal Act
 The Municipal Affairs Act
 The Municipal Arbitrations Act
 The Municipal Conflict of Interest Act, 1972
 The Municipal Corporations Quieting Orders Act
 The Municipal Elderly Residents' Assistance Act, 1973
 The Municipal Elections Act, 1977
 The Municipal Franchises Act
 The Municipal Subsidies Adjustment Repeal Act, 1976
 The Municipal Tax Assistance Act
 The Municipal Unemployment Relief Act, 1971
 The Municipal Works Assistance Act
 The Municipality of Metropolitan Toronto Act
 The Municipality of Shuniah Act, 1936
 The North Pickering Development Corporation Act, 1974
 The Ontario Housing Corporation Act
 The Ontario Land Corporation Act, 1974
 The Ontario Planning and Development Act, 1973
 The Ontario Student Housing Corporation Act, 1978
 The Ontario Unconditional Grants Act, 1975
 The Ontario Youth Employment Act, 1977
 The Ottawa-Carleton Amalgamations and Elections Act, 1973
 The Ottawa-Carleton Municipal Hydro-Electric Service Act, 1980
 The Oxford Municipal Hydro-Electric Service Act, 1977
 The Parkway Belt Planning and Development Act, 1973
 The Peel Municipal Hydro-Electric Service Act, 1977
 The Planning Act
 The Police Village of St. George Act, 1980
 The Provincial Parks Municipal Tax Assistance Act, 1974
 The Public Parks Act
 The Public Utilities Act
 The Public Utilities Corporations Act
 The Regional Municipality of Durham Act, 1973
 The Regional Municipality of Haldimand-Norfolk Act, 1973
 The Regional Municipality of Halton Act, 1973
 The Regional Municipality of Hamilton-Wentworth Act, 1973
 The Regional Municipality of Niagara Act
 The Regional Municipality of Ottawa-Carleton Act
 The Regional Municipality of Ottawa-Carleton Land Acquisition Act, 1980
 The Regional Municipality of Peel Act, 1973
 The Regional Municipality of Sudbury Act, 1972
 The Regional Municipality of Waterloo Act, 1972
 The Regional Municipality of York Act
 The Road Access Act, 1978
 The Shoreline Property Assistance Act, 1973
 The Snow Roads and Fences Act
 The Statute Labour Act
 The Tax Sales Confirmation Act, 1974
 The Territorial Division Act
 The Tom Longboat Act, 1980
 The Toronto District Heating Corporation Act, 1980
 The Toronto Islands Act, 1980
 The Town of Wasaga Beach Act, 1973
 The Township of North Plantagenet Act, 1976
 The Village of Point Edward Act, 1979
 The Waterloo Electrical Service Areas Act, 1977
 The Wharfs and Harbours Act
 The York Municipal Hydro-Electric Service Act, 1978

An Act to establish the
Ministry of Municipal Affairs and Housing

1st Reading

May 14th, 1981

2nd Reading

June 29th, 1981

3rd Reading

THE HON. C. BENNETT
Minister of Housing

*(Reprinted as amended by the
Committee of the Whole House)*

66
BILL 67

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to establish
the Ministry of Municipal Affairs and Housing

THE HON. C. BENNETT
Minister of Housing





BILL 67

1981

An Act to establish the Ministry of Municipal Affairs and Housing

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. In this Act,

Interpre-
tation

(a) "Deputy Minister" means the Deputy Minister of Municipal Affairs and Housing;

(b) "Minister" means the Minister of Municipal Affairs and Housing;

(c) "Ministry" means the Ministry of Municipal Affairs and Housing;

(d) "municipality" means the corporation of a metropolitan, regional or district municipality, a county, city, town, village, township or improvement district and includes a local board thereof, as defined in clause *d* of section 1 of *The Municipal Affairs Act*, and a board, commission, conservation authority or other local authority exercising any power with respect to municipal affairs or purposes, including school purposes, in territory without municipal organization.

R.S.O. 1970,
c. 118

2. There shall be a ministry of the public service to be known as the Ministry of Municipal Affairs and Housing.

Ministry
established

3. The Minister shall preside over and have charge of the Ministry and has power to act for and on behalf of the Ministry.

Minister to
have charge

4.—(1) The Minister is responsible for the policies and programs of the Government of Ontario in relation to,

Functions
of
Minister

(a) municipal affairs, including the co-ordination of programs of financial assistance to municipalities;

- (b) community planning, community development, maintenance and improvement of the built environment and land development; and
- (c) housing and related matters.

Implement-
ation of
policies and
programs

(2) The Minister may take such measures as he considers appropriate to implement any policy or program referred to in subsection 1, including entering into any agreements for such purpose with any municipality or with any other person.

Power of
municipalities
to enter into
agreements

(3) A municipality may enter into and perform agreements with the Minister under subsection 2.

Adminis-
tration
of Acts

(4) The Minister is responsible for the administration of this Act, the Acts set out in the Schedule and the Acts that are assigned to him by the Legislature or by the Lieutenant Governor in Council.

Advances,
grants, etc.

(5) The Minister, out of moneys appropriated therefor by the Legislature,

(a) may make any advances, grants and loans and provide any other financial assistance that may be made or provided by the Lieutenant Governor in Council under section 2 of *The Housing Development Act*; or

R.S.O. 1970,
c. 213

(b) may make advances, grants and loans and provide other financial assistance to assist in the implementation of the policies and programs referred to in clauses b and c of subsection 1.

Exercise of
Ministry
powers

(6) The Minister may exercise the powers conferred on the Ministry in any general or special Act for which the Minister is responsible.

Annual
report

(7) The Minister after the close of each year shall submit to the Lieutenant Governor in Council an annual report upon the affairs of the Ministry and shall then lay the report before the Assembly if it is in session or, if not, at the next ensuing session.

Deputy
Minister

5.—(1) The Lieutenant Governor in Council shall appoint a Deputy Minister of Municipal Affairs and Housing who shall be the deputy head of the Ministry.

Idem

(2) Under the direction of the Minister, the Deputy Minister shall perform such duties as the Minister may assign or delegate to him.

Delegation
of powers
and duties

6.—(1) Where, under this or any other Act, a power or duty is granted to or vested in the Minister, he may in writing delegate

that power or duty to the Deputy Minister, or to any officer or employee of the Ministry or of a Crown agency described in subsection 1 of section 8, subject to such limitations, restrictions, conditions and requirements as the Minister may set out in his delegation.

(2) Notwithstanding *The Executive Council Act*, a contract or an agreement made by a person empowered to do so under a delegation made under subsection 1 has the same effect as if made and signed by the Minister.

Contracts
and
agreements
R.S.O. 1970,
c. 153

7.—(1) No action or other proceeding for damages shall be instituted against the Deputy Minister, or any officer or employee of the Ministry, or anyone acting under his authority for any act done in good faith in the execution or intended execution of his duty, or for any alleged neglect or default in the execution in good faith of his duty.

Protection
from
personal
liability

(2) Subsection 1 does not, by reason of subsections 2 and 4 of section 5 of *The Proceedings Against the Crown Act*, relieve the Crown of liability in respect of a tort committed by a person mentioned in subsection 1 to which it would otherwise be subject, and the Crown is liable under that Act for any such tort in a like manner as if subsection 1 had not been enacted.

Crown
liability
R.S.O. 1970,
c. 365

8.—(1) Where, under this or any other Act, the Minister is made responsible for the administration of a Crown agency or for the administration of an Act relating to a Crown agency, the Minister may give policy direction to that agency and the agency shall follow the direction.

Control over
Crown
agencies

(2) Notwithstanding subsection 3 of section 6 of *The Ontario Housing Corporation Act*, where any agreement entered into by the Minister under *The Housing Development Act* provides that the rights of the Minister and Her Majesty in Right of Ontario under the agreement do not vest in the Ontario Housing Corporation, such rights and obligations remain as rights and obligations of the Minister or of Her Majesty in right of Ontario and do not vest in the Corporation.

Ontario
Housing
Corporation
agreements
R.S.O. 1970,
cc. 317, 213

(3) The Minister may, by order, divest the Ontario Housing Corporation of all its rights under any agreement mentioned in section 6 of *The Ontario Housing Corporation Act* and, where an order is made divesting the Corporation of its rights under such an agreement, the rights of the Corporation become vested in Her Majesty in Right of Ontario and all obligations under the agreement become obligations of Her Majesty in Right of Ontario.

Idem
R.S.O. 1970,
c. 317

Facsimile
signature
authorized

9.—(1) The Minister may authorize the use of a facsimile of his signature and the Deputy Minister may authorize the use of a facsimile of his signature on any document except an affidavit or a statutory declaration.

Idem

(2) A facsimile of the signature of the Minister or the Deputy Minister affixed to a document under an authorization made under subsection 1 shall be deemed to be the signature of the Minister or the Deputy Minister, as the case may be.

Seal

10.—(1) The Lieutenant Governor in Council may authorize a seal for the Minister and prescribe its use on documents.

Idem

(2) The seal may be reproduced by engraving, lithographing, printing or any other method of mechanical reproduction and, when so produced, has the same force and effect as if manually affixed.

Advisory
committees

11. The Minister may establish advisory committees to the Minister and sub-committees thereto, appoint chairmen and members of such committees and sub-committees and fix the remuneration and expenses of the chairmen and members of committees and sub-committees and the remuneration and expenses shall be paid out of the moneys appropriated therefor by the Legislature.

References
to
Ministers
and
Ministries

12.—(1) A reference to the Minister of Intergovernmental Affairs or the Minister of Housing, as the case may be, in any Act listed in the Schedule, or in any regulation, order in council, ministerial order, act or thing made or done under any such Act, shall be deemed to be a reference to the Minister of Municipal Affairs and Housing, so long as the Minister administers such Act, and a reference therein to the Ministry of Intergovernmental Affairs or the Ministry of Housing shall be deemed to be a reference to the Ministry of Municipal Affairs and Housing.

Saving

(2) Nothing in this Act invalidates any regulation, ministerial order, act or thing made or done under any Act listed in the Schedule prior to the day this Act receives Royal Assent.

Amendments
to Schedule

13. The Lieutenant Governor in Council may, by order, amend the Schedule.

1973, c. 52,
s. 22a(1),
re-enacted

14. Subsection 1 of section 22a of *The Niagara Escarpment Planning and Development Act, 1973*, being chapter 52, as enacted by the Statutes of Ontario, 1974, chapter 52, section 3, is repealed and the following substituted therefor:

Interpre-
tation

(1) In this section and in section 23, subsections 1, 3 to 9 and 11 and 12 of section 24 and section 25, "Minister" means the Minister of Municipal Affairs and Housing.

15.—(1) Clause *b* of section 1 of *The Ministry of Inter-* 1978, c. 64,
governmental Affairs Act, 1978, being chapter 64, is amended by ^{s. 1 (b),} amended
 striking out “or any municipality” in the seventh line.

(2) Clause *e* of the said section 1 is repealed. s. 1 (e),
repealed

(3) Subsection 2 of section 5 of the said Act is repealed. s. 5 (2),
repealed

(4) Subsection 3 of the said section 5 is amended by striking ^{s. 5 (3),} amended
 out “subsections 1 and 2” in the third and fourth lines and
 inserting in lieu thereof “subsection 1”.

(5) Subsection 4 of the said section 5 is amended by striking ^{s. 5 (4),} amended
 out “the Acts set out in the Schedule” in the second line.

(6) Sections 8 and 9 of the said Act are repealed. ss. 8, 9,
repealed

(7) The Schedule to the said Act is repealed. Schedule,
repealed

16. *The Ministry of Housing Act, 1973*, being chapter 100, ^{Repeals}
 and *The Ministry of Housing Amendment Act, 1974*, being
 chapter 14, are repealed.

17. This Act shall be deemed to have come into force on the ^{Commence-}
 1st day of April, 1981. ment

18. The short title of this Act is *The Ministry of Municipal* ^{Short title}
Affairs and Housing Act, 1981.

SCHEDULE

The Brantford-Brant Annexation Act, 1980
 The City of Cornwall Annexation Act, 1974
 The City of Gloucester Act, 1980
 The City of Hamilton Act, 1975
 The City of Hazeldean-March Act, 1978
 The City of Nepean Act, 1978
 The City of Port Colborne Act, 1974
 The City of Sudbury Hydro-Electric Service Act, 1980
 The City of Thorold Act, 1975
 The City of Thunder Bay Act, 1968-69
 The City of Timmins-Porcupine Act, 1972
 The County of Oxford Act, 1974
 The District Municipality of Muskoka Act
 The District of Parry Sound Local Government Act, 1979
 The Durham Municipal Hydro-Electric Service Act, 1979
 The Elderly Persons' Housing Aid Act
 The Haliburton Act
 The Halton Municipal Hydro-Electric Service Act, 1979
 The Hamilton-Wentworth Municipal Hydro-Electric Service Act, 1980
 The Housing Development Act
 The Line Fences Act, 1979
 The Local Improvement Act

The Moosonee Development Area Board Act
 The Municipal Act
 The Municipal Affairs Act
 The Municipal Arbitrations Act
 The Municipal Conflict of Interest Act, 1972
 The Municipal Corporations Quieting Orders Act
 The Municipal Elderly Residents' Assistance Act, 1973
 The Municipal Elections Act, 1977
 The Municipal Franchises Act
 The Municipal Subsidies Adjustment Repeal Act, 1976
 The Municipal Tax Assistance Act
 The Municipal Unemployment Relief Act, 1971
 The Municipal Works Assistance Act
 The Municipality of Metropolitan Toronto Act
 The Municipality of Shuniah Act, 1936
 The North Pickering Development Corporation Act, 1974
 The Ontario Housing Corporation Act
 The Ontario Land Corporation Act, 1974
 The Ontario Planning and Development Act, 1973
 The Ontario Student Housing Corporation Act, 1978
 The Ontario Unconditional Grants Act, 1975
 The Ontario Youth Employment Act, 1977
 The Ottawa-Carleton Amalgamations and Elections Act, 1973
 The Ottawa-Carleton Municipal Hydro-Electric Service Act, 1980
 The Oxford Municipal Hydro-Electric Service Act, 1977
 The Parkway Belt Planning and Development Act, 1973
 The Peel Municipal Hydro-Electric Service Act, 1977
 The Planning Act
 The Police Village of St. George Act, 1980
 The Provincial Parks Municipal Tax Assistance Act, 1974
 The Public Parks Act
 The Public Utilities Act
 The Public Utilities Corporations Act
 The Regional Municipality of Durham Act, 1973
 The Regional Municipality of Haldimand-Norfolk Act, 1973
 The Regional Municipality of Halton Act, 1973
 The Regional Municipality of Hamilton-Wentworth Act, 1973
 The Regional Municipality of Niagara Act
 The Regional Municipality of Ottawa-Carleton Act
 The Regional Municipality of Ottawa-Carleton Land Acquisition Act, 1980
 The Regional Municipality of Peel Act, 1973
 The Regional Municipality of Sudbury Act, 1972
 The Regional Municipality of Waterloo Act, 1972
 The Regional Municipality of York Act
 The Road Access Act, 1978
 The Shoreline Property Assistance Act, 1973
 The Snow Roads and Fences Act
 The Statute Labour Act
 The Tax Sales Confirmation Act, 1974
 The Territorial Division Act
 The Tom Longboat Act, 1980
 The Toronto District Heating Corporation Act, 1980
 The Toronto Islands Act, 1980
 The Town of Wasaga Beach Act, 1973
 The Township of North Plantagenet Act, 1976
 The Village of Point Edward Act, 1979
 The Waterloo Electrical Service Areas Act, 1977
 The Wharfs and Harbours Act
 The York Municipal Hydro-Electric Service Act, 1978

An Act to establish the
Ministry of Municipal Affairs and Housing

1st Reading

May 14th, 1981

2nd Reading

June 29th, 1981

3rd Reading

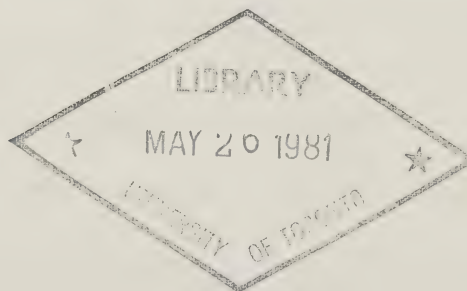
July 2nd, 1981

THE HON. C. BENNETT
Minister of Housing

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act for the establishment and conduct of a Project in
The Municipality of Metropolitan Toronto to improve
methods of processing Complaints by members of the
Public against Police Officers on the Metropolitan Police Force

THE HON. R. MCMURTRY
Solicitor General



EXPLANATORY NOTE

The Bill establishes a project in The Municipality of Metropolitan Toronto to improve the processing of complaints by the public concerning the conduct of police officers.

Provision is made for the appointment of a Public Complaints Commissioner who shall monitor and review the handling of complaints by the Metropolitan Toronto Police Force and shall exercise the powers and perform other duties set out.

The Bill establishes the Police Complaints Board and provides for its membership and the conduct of hearings by it.

Procedures are established for the making of complaints and the recording, investigation, resolution and disposition thereof.

The project expires three years after the Act comes into force or on such day thereafter as is named by proclamation of the Lieutenant Governor.

BILL 68

1981

An Act for the establishment and conduct of a Project in The Municipality of Metropolitan Toronto to improve methods of processing Complaints by members of the Public against Police Officers on the Metropolitan Police Force

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. In this Act,

Interpre-
tation

- (a) "Board" means the Police Complaints Board;
- (b) "Bureau" means the Public Complaints Investigation Bureau;
- (c) "chief of police" means the chief of police of the Metropolitan Police Force;
- (d) "complaint" means a complaint by a member of the public, made orally or in writing, respecting the conduct of a police officer;
- (e) "police officer" means a police officer on the Metropolitan Police Force;
- (f) "prescribed" means prescribed by the regulations;
- (g) "regulations" means the regulations made under this Act.

2. This Act applies only to complaints made by members of the public respecting the conduct of police officers on the Metropolitan Police Force and hearings under this Act and disciplinary proceedings under *The Police Act* and the regulations thereunder arising out of such complaints.

Application
of Act

R.S.O. 1970,
c. 351

Appointment of Public Complaints Commissioner	3.—(1) The Lieutenant Governor in Council shall appoint a Public Complaints Commissioner to exercise the powers and perform the duties assigned to him by this Act and the regulations.
Officers, etc. R.S.O. 1970, c. 386	(2) Such officers and employees as are considered necessary from time to time for the purposes of the Public Complaints Commissioner may be appointed under <i>The Public Service Act</i> .
Annual report	(3) The Public Complaints Commissioner shall report annually upon the affairs of his office to the Solicitor General who shall submit the report to the Lieutenant Governor in Council and shall then lay the report before the Assembly if it is in session or, if not, at the next ensuing session.
Audit	(4) The accounts of the Public Complaints Commissioner shall be audited annually by the Provincial Auditor.
Board established	4.—(1) A board to be known as the Police Complaints Board is hereby established.
Chairman	(2) The Public Complaints Commissioner shall be the chairman of the Board.
Composition and appointment	(3) The Board shall be composed of the chairman and as many other members as the Lieutenant Governor in Council considers proper and such members shall be appointed by the Lieutenant Governor in Council.
Qualifi- cations	(4) One-third of the members of the Board shall be persons who have had training in law.
Recom- mendation for appointment	(5) The Metropolitan Board of Commissioners of Police and the Metropolitan Toronto Police Association shall jointly recommend to the Solicitor General for appointment to the Board such number of persons, other than police officers, as will constitute one-third of the membership of the Board.
Idem	(6) The council of The Municipality of Metropolitan Toronto shall recommend to the Solicitor General for appointment to the Board such number of persons as will constitute one-third of the membership of the Board.
Idem	(7) Recommendations under subsections 5 and 6 shall be made to the Solicitor General within such time as he may specify.
Remuner- ation	(8) The members of the Board shall receive such salaries or remuneration and expenses as may be fixed by the Lieutenant Governor in Council.

(9) The chairman shall have general supervision and direction over the conduct of the affairs of the Board and shall arrange the sittings of the Board and assign members to conduct hearings as circumstances require.

Duties of
chairman

(10) The Board shall prepare and publish periodically a summary of its decisions and the reasons therefor and shall report annually on its affairs to the Solicitor General who shall submit the report to the Lieutenant Governor in Council and shall then lay the report before the Assembly if it is in session or, if not, at the next ensuing session.

Summaries
and
report

(11) The accounts of the Board shall be audited annually by the Provincial Auditor.

Audit

(12) Such officers and employees as are considered necessary from time to time for the purposes of the Board may be appointed under *The Public Service Act*.

Officers,
etc.

R.S.O. 1970,
c. 386

5.—(1) The chief of police shall establish and maintain for the purposes of this Act a branch of the Metropolitan Police Force to be known as the Public Complaints Investigation Bureau.

Bureau to be
established

(2) The chief of police shall ensure that the Bureau is supplied with sufficient staff to effectively receive, record and investigate complaints.

Staff

6.—(1) A member of the public may make a complaint at the Bureau, at any police station in Metropolitan Toronto or at the office of the Public Complaints Commissioner.

Where com-
plaints may
be made

(2) The person who receives a complaint shall record the complaint in the prescribed form and shall furnish the person making the complaint with a prescribed statement that sets out the procedures that will be followed respecting the complaint and the rights under this Act of the person making the complaint.

Information

(3) Where a complaint is recorded at a police station, the person recording the complaint shall forward forthwith to the Bureau and to the Public Complaints Commissioner a copy of the complaint.

Copy of
complaint

(4) Where a complaint is recorded at the Bureau, the person recording the complaint shall forward forthwith to the Public Complaints Commissioner a copy of the complaint.

Idem

(5) Where a complaint is recorded at the office of the Public Complaints Commissioner, the person recording the complaint shall forward forthwith to the Bureau a copy of the complaint.

Idem

7. Upon receipt of a complaint, the person in charge of the Bureau shall inform forthwith the police officer concerned of the

Police officer
to be informed

substance of the complaint, unless, in the opinion of such person, to do so might adversely affect any investigation of the complaint.

Informal
resolution

8.—(1) The person in charge of the Bureau shall consider whether a complaint can be resolved informally and, with the consent of the person making the complaint and the police officer concerned, may attempt to so resolve the complaint.

Record of
informal
resolution

(2) Where a complaint is resolved informally, a record shall be made of the manner in which the complaint was resolved and the person making the complaint and the police officer concerned shall each signify in writing his agreement to such resolution.

Copy of
record to be
furnished

(3) A copy of a record made under subsection 2 shall be furnished forthwith to the Public Complaints Commissioner, the person making the complaint and the police officer concerned.

No reference
in personal
record of
police officer

(4) No reference shall be made in the personal record of a police officer to a complaint resolved under this section, except where misconduct has been admitted by the police officer.

Investigation

9.—(1) Where a complaint is not resolved informally, the person in charge of the Bureau shall cause an investigation to be made forthwith into the complaint in accordance with prescribed procedures.

Interim
reports

(2) The person in charge of the Bureau shall forward to the Public Complaints Commissioner, the person who made the complaint and the police officer concerned an interim report in the prescribed form providing a summary of the investigation to date not later than thirty days after receipt of the complaint and shall forward further interim reports to the same persons on a monthly basis during the course of the investigation.

Exception

(3) Notwithstanding subsection 2, the person in charge of the Bureau may decide not to make a report to the person who made the complaint and the police officer concerned where, in his opinion, to do so might adversely affect the investigation of the complaint or where there are no new matters to report, in which case the person in charge of the Bureau shall notify the Public Complaints Commissioner of the reasons for his decision.

Final
report

(4) Where an investigation has been completed, the person in charge of the Bureau shall cause a final investigation report to be prepared and shall forward a copy thereof to the Public Complaints Commissioner, the chief of police, the person who made the complaint and the police officer concerned.

Idem

(5) A final investigation report prepared under subsection 4 shall,

- (a) contain a summary of the complaint and a description of the alleged misconduct by the police officer;
- (b) contain a summary of the investigation and of information obtained from the person who made the complaint, the police officer concerned and witnesses, if any; and
- (c) contain a description and analysis of any physical evidence obtained.

10.—(1) The chief of police shall review a final investigation report and he may order such further investigation as he considers advisable and may, unless he decides that no action is warranted,

Powers and
duties of chief
of police

- (a) cause an information alleging the commission of an offence by the police officer concerned to be laid and refer the matter to the Crown attorney for prosecution;
- (b) refer the matter to the Board for a hearing by the Board;
- (c) cause disciplinary proceedings to be taken under *The Police Act* and the regulations thereunder; and
- (d) after giving the police officer concerned an opportunity to reply to the complaint, either orally or in writing, counsel or caution the police officer regarding his conduct.

R.S.O. 1970,
c. 351

(2) Where the chief of police causes an information to be laid under clause *a* of subsection 1, such action shall not stay any hearing by the chief of police or by the Board unless the chief of police or the Board, as the case may be, is of the opinion that the hearing should be stayed until the court proceedings have been concluded.

Hearing
not stayed

(3) The chief of police shall give forthwith written notice of any action taken by him under subsection 1 or of his decision that no action is warranted to the Public Complaints Commissioner, the person who made the complaint and the police officer concerned and, where his decision is that no action is warranted, he shall give his reasons therefor.

Notice of
action taken

(4) The chief of police may designate any police officer to exercise any of his powers and perform any of his duties under this Act and the police officer so designated has the powers and duties set out in the designation and where any power is conditional on the opinion of the chief of police, the requisite opinion shall be that of the designated officer.

Designation
by chief
of police

Application
of s. 19
R.S.O. 1970,
c. 351

11.—(1) Where the chief of police has caused disciplinary proceedings to be taken under *The Police Act* and the regulations thereunder, subsections 4, 6, 10, 11 and 12 of section 19 of this Act apply with necessary modifications to a hearing held in connection with such proceedings.

Notice of
decision

(2) The chief of police or, if he is not the person who holds a hearing referred to in subsection 1, the person who holds the hearing shall give forthwith written notice of his decision to the Public Complaints Commissioner, the person who made the complaint and the police officer concerned.

Police officer
may appeal

12. Where a hearing referred to in subsection 1 of section 11 has been held and a penalty has been imposed upon a police officer, the police officer may appeal to the Board under section 13 of this Act and not as provided in *The Police Act* and the regulations thereunder.

R.S.O. 1970,
c. 351

Notice of
appeal

13.—(1) A notice of appeal shall be served on the Board within fifteen days after the police officer receives notice of the penalty imposed.

Extension
of time

(2) Notwithstanding subsection 1, where the chairman of the Board is satisfied that there are *prima facie* grounds for granting relief and that there are reasonable grounds for granting an extension, he may extend the time for giving the notice either before or after the expiration of the fifteen day period referred to in subsection 1 and may give such directions as he considers proper consequent upon such extension.

Powers and
duties of
Public
Complaints
Commissioner

14.—(1) The Public Complaints Commissioner,

- (a) shall maintain copies of all records, reports and other material received by him under this Act;
- (b) shall monitor the handling of complaints by the Bureau and the chief of police;
- (c) may review the record of the informal resolution of a complaint and may request that the person in charge of the Bureau cause an investigation to be made into the complaint;
- (d) may, upon receipt of a copy of the final investigation report from the person in charge of the Bureau, request that the chief of police cause further investigation to be made into the complaint;
- (e) shall receive a request for a review under section 15; and
- (f) shall evaluate the effectiveness of the system for handling complaints.

(2) Where the person in charge of the Bureau or the chief of police causes an investigation to be made under clause *c* or *d*, as the case may be, of subsection 1, he shall forward the results of his investigation to the Public Complaints Commissioner. Results to be forwarded

(3) Notwithstanding any other provision of this Act, the Public Complaints Commissioner may inquire into and investigate the allegations in the complaint, Public Complaints Commissioner may inquire and investigate

(a) at any time after he receives the first interim report under subsection 2 of section 9 or the thirty-day period mentioned therein has expired;

(b) upon the request of the chief of police; or

(c) where there are reasonable grounds to believe that the inquiry and investigation is essential in the public interest having regard to undue delay in the conduct of an investigation under section 9 or other exceptional circumstances.

(4) A decision to take action under clause *c* of subsection 3 shall be deemed to be made in the exercise of a statutory power within the meaning of *The Judicial Review Procedure Act, 1971*. Review of decision 1971, c. 48

(5) The Public Complaints Commissioner shall forthwith notify the chief of police in writing of his intention to conduct an inquiry and investigation under clause *a* or *c* of subsection 3 and shall give his reasons therefor in writing and, after his inquiry and investigation is completed, he shall forward the results thereof to the chief of police, and the chief of police shall consider such results in his review of the final investigation report under subsection 1 of section 10. Notice to chief of police

15.—(1) Where a person who has made a complaint is dissatisfied with the decision made on a disciplinary proceeding arising out of his complaint that is not a decision of the Board or with action taken by the chief of police under clause *d* of subsection 1 of section 10 or with a decision of the chief of police that no action is warranted, he may request the Public Complaints Commissioner to review the matter. Request for review

(2) Where the Public Complaints Commissioner receives a request under subsection 1, he shall review the matter and may, after such review, order a hearing by the Board if he believes that, in the public interest, such a hearing is required or he may decide to take no further action. Hearing may be ordered

(3) The Public Complaints Commissioner shall give forthwith written notice to the chief of police, the person who made the complaint and the police officer concerned of his decision under Notice

subsection 2 and, where his decision is to take no further action, shall give his reasons therefor.

Where hearing not to be ordered

(4) The Public Complaints Commissioner shall not order a hearing under subsection 2 where a police officer has appealed to the Board under section 13.

Powers on investigation

16.—(1) For the purposes of a review under section 15, the Public Complaints Commissioner may inquire into and investigate the allegations in the complaint and, for such purposes, he may, after informing the chief of police, enter a police station and examine therein books, papers, documents and things related to the complaint.

Powers on inquiry

1971, c. 49

(2) For the purposes of an inquiry, the Public Complaints Commissioner has the powers of a commission under Part II of *The Public Inquiries Act, 1971*, which Part applies to such inquiry as if it were an inquiry under that Act.

Appointment of person to make inquiry and investigation

(3) The Public Complaints Commissioner may, in writing, appoint a person to make any inquiry and any investigation he is authorized to make and the person so appointed has all the powers and duties of the Public Complaints Commissioner relating to the inquiry and the investigation.

Report

(4) The person appointed to make an inquiry or investigation shall report the results of his inquiry or investigation to the Public Complaints Commissioner.

Obstruction

(5) No person shall obstruct the Public Complaints Commissioner or a person appointed by him to make an investigation or withhold from him or conceal or destroy any books, papers, documents or things related to the investigation.

Search warrant

(6) Where a justice of the peace is satisfied upon an *ex parte* application by the Public Complaints Commissioner that there is reasonable ground for believing there are in any building, dwelling, receptacle or place any books, papers, documents or things relating to an investigation, the justice of the peace may issue an order authorizing the Public Complaints Commissioner, together with such persons as he calls upon to assist him, to enter and search, if necessary by force, such building, dwelling, receptacle or place for such books, papers, documents or things and to examine them, but every such entry and search shall be made between 6 a.m. and 9 p.m., standard time, unless the justice of the peace, by the order, otherwise authorizes.

Removal of books, etc.

(7) The Public Complaints Commissioner may, upon giving a receipt therefor, remove any books, papers, documents or things examined under subsection 1 or 6 relating to the investigation and

shall with reasonable dispatch make copies of such books, papers or documents and return them promptly thereafter to the person from whom they were removed.

(8) Any copy made as provided in subsection 7 and certified to be a true copy by the Public Complaints Commissioner is admissible in evidence in any action, proceeding or prosecution as *prima facie* proof of the original book, paper or document and its contents. Admissibility of copies

(9) The Public Complaints Commissioner may appoint an expert to examine books, papers, documents or things examined under subsection 1 or 6. Appointment of experts

(10) This section applies with necessary modifications to an inquiry and investigation by the Public Complaints Commissioner under subsection 3 of section 14. Application

17. Where, after making a review, the Public Complaints Commissioner is of the opinion that a police practice or procedure should be altered, he shall report his opinion and recommendations to the Solicitor General, the Ontario Police Commission, the Metropolitan Board of Commissioners of Police and the chief of police. Report

18.—(1) Where,

Conduct of hearing

- (a) the chief of police has referred a matter to the Board under clause *b* of subsection 1 of section 10;
- (b) a police officer has appealed to the Board under section 13; or
- (c) the Public Complaints Commissioner has, under subsection 2 of section 15, ordered a hearing,

the Board shall hold a hearing and the Public Complaints Commissioner shall assign in accordance with this section a member or members of the Board to conduct the hearing.

(2) Where, in the opinion of the Public Complaints Commissioner, the complaint alleges misconduct by the police officer that is of a minor nature, he shall assign a member of the Board who has had training in law to sit alone to conduct the hearing. Idem

(3) Where, in the opinion of the Public Complaints Commissioner, the complaint alleges misconduct by a police officer that is of a serious nature, he shall assign three members of the Board who shall constitute a panel to conduct the hearing. Idem

Who shall
be on
panel

(4) The chairman of the panel constituted under subsection 3 shall be a member of the Board who has had training in law and, where possible, one member of the panel shall be a person appointed to the Board on the joint recommendation of the Metropolitan Board of Commissioners of Police and the Metropolitan Toronto Police Association and one member shall be a person appointed to the Board on the recommendation of the council of The Municipality of Metropolitan Toronto.

Eligibility

(5) Where the chief of police has referred a matter to the Board or a police officer has appealed to the Board, the Public Complaints Commissioner is eligible to sit alone to conduct the hearing under subsection 2 and to be chairman of a panel constituted under subsection 3.

Idem

(6) Where the Public Complaints Commissioner has ordered a hearing by the Board, he is not eligible to sit alone to conduct the hearing under subsection 2 or to be a member of a panel constituted under subsection 3.

Public
Complaints
Commissioner
required
to sit

(7) Where a police officer has appealed to the Board and the Public Complaints Commissioner is of the opinion that the complaint alleges misconduct that is of a minor nature, he shall so advise the police officer who may by written notice given within seven days require that the Public Complaints Commissioner be the member who sits alone to conduct the hearing.

Decisions

(8) A decision of a member of the Board sitting alone and a decision of a majority of a panel is a decision of the Board and, for all purposes of a hearing, the member sitting alone or the panel, as the case may be, shall be deemed to be the Board.

Hearing

19.—(1) The Board shall appoint a time for a hearing and shall conduct a hearing *de novo*.

Notice of
hearing

(2) The Board shall give to the chief of police, the person who made the complaint and the police officer concerned written notice of the hearing and of the time appointed therefor.

Opportunity
to be
heard

(3) The person who made the complaint may attend at the hearing and be represented by counsel or an agent and shall be given an opportunity to be heard.

Opportunity
to examine
evidence

(4) The police officer concerned shall be afforded an opportunity to examine before the hearing any written or documentary evidence that will be produced or any report the contents of which will be given in evidence at the hearing.

(5) The member or members of the Board conducting a hearing shall not communicate directly or indirectly in relation to the subject-matter of the hearing with any person or with any party or his representative except upon notice to and opportunity for all parties to participate, but the Board may seek legal advice from an adviser independent from the parties and in such case the nature of the advice should be made known to the parties in order that they may make submissions as to the law.

Member holding hearing not to communicate with party

(6) The oral evidence given at the hearing shall be recorded and, if so required, copies or a transcript thereof shall be furnished upon the same terms as in the Supreme Court.

Oral evidence

(7) The Board may appoint counsel to assist the Board at the hearing.

Counsel

(8) No member of the Board shall participate in a decision following the hearing unless he was present throughout the hearing and heard the evidence and argument of the parties and, except with the consent of the parties, no decision shall be given unless all members so present participate in the decision.

Only members at hearing to participate in decision

(9) Documents and things put in evidence at the hearing shall, upon the request of the person who produced them, be released to him within a reasonable time after the matter in issue has been finally determined.

Release of documents

(10) Notwithstanding section 12 of *The Statutory Powers Procedure Act, 1971*, the police officer concerned shall not be required to give evidence at the hearing nor shall any statement or answer required to be given by him in respect of the complaint made against him be admitted in evidence at the hearing, except with his consent.

Police officer not required to give evidence 1971, c. 47

(11) Where the person in charge of the Bureau attempts to resolve a complaint informally and the complaint is not so resolved, any statement or admission made during such attempt by the police officer concerned or by the person who made the complaint shall not be admitted in evidence at the hearing, except with the consent of the police officer or the person who made the complaint, as the case may be.

Statement or admission not admissible in evidence

(12) No finding of misconduct by the police officer shall be made unless the misconduct is proved beyond a reasonable doubt.

Proof of misconduct

(13) Where a member of the Board sitting alone finds the police officer guilty of misconduct, he may,

Imposition of penalty

(a) direct that days off not exceeding five days be forfeited;

(b) direct that pay not exceeding three days pay be forfeited;
or

(c) reprimand the police officer.

Idem

(14) Where a panel of the Board finds the police officer guilty of misconduct, it may,

(a) dismiss the police officer from the Metropolitan Police Force;

(b) direct that the police officer resign from the Metropolitan Police Force and, in default of resigning within seven days, be summarily dismissed;

(c) reduce the police officer in rank or gradation of rank and in pay in accordance with the rank to which he is reduced;

(d) direct that days off not exceeding twenty days be forfeited;

(e) direct that pay not exceeding five days pay be forfeited;
or

(f) reprimand the police officer, which reprimand may be in lieu of or in addition to any other penalty imposed.

Notice of
decision

(15) The Board shall give forthwith written notice of its decision and the reasons therefor to the chief of police, the person who made the complaint and the police officer concerned.

No
reference
to hearing

(16) No reference to a hearing conducted by the Board shall be made in the personal record of the police officer concerned unless the Board has made a finding of misconduct by the police officer.

Costs may
be paid

(17) The Metropolitan Board of Commissioners of Police may, in such cases and to such extent as it thinks fit, pay any legal costs incurred by a police officer in respect of a hearing conducted by the Board and an appeal under section 20.

Appeal

20.—(1) A party to a hearing by the Board may appeal from the decision of the Board to the Divisional Court in accordance with the rules of court.

Solicitor
General
entitled to
be heard

(2) The Solicitor General is entitled to be heard, by counsel or otherwise, upon the argument of an appeal under this section.

Appeal on
questions
of law
only

(3) An appeal under this section may be made on questions of law only.

21. Any notice, report or other material required to be given, furnished, forwarded or otherwise served under this Act is sufficiently served if delivered personally or sent by prepaid first class mail addressed to the person on whom service is required to be made at his last known or usual place of abode.

How
notice,
etc.,
may be
served

22.—(1) Every person engaged in the administration of this Act and the regulations, including a member of the Metropolitan Police Force, shall preserve secrecy in respect of all matters that come to his knowledge in the course of his duties and shall not communicate any such matter to any other person except,

Matters
confidential

- (a) as may be required in connection with the administration of this Act and the regulations or *The Police Act* and the regulations thereunder;
- (b) as may be required for the due enforcement of the law;
- (c) to his counsel; or
- (d) with the consent of the person to whom the matter relates.

R.S.O. 1970.
c. 351

(2) No person to whom subsection 1 applies shall be required to give testimony in any civil suit or proceeding with regard to information obtained by him in the course of his duties, except at a hearing under this Act or in a disciplinary proceeding under *The Police Act* and the regulations thereunder.

Testimony

R.S.O. 1970.
c. 351

(3) No record, report, writing or document arising out of a complaint is admissible or may be used in evidence in any civil suit or proceeding, except at a hearing under this Act or in a disciplinary proceeding under *The Police Act* and the regulations thereunder.

What is
inadmissible
in evidence

23. *The Ombudsman Act, 1975* does not apply to the Public Complaints Commissioner or the Board.

1975, c. 42
does not
apply

24.—(1) The moneys required for the purposes of the Public Complaints Commissioner and the Board shall, until the 31st day of March, 1982, be paid out of the Consolidated Revenue Fund and thereafter shall be paid out of the moneys appropriated therefor by the Legislature.

Moneys

(2) The Solicitor General, with the approval of the Lieutenant Governor in Council, and The Municipality of Metropolitan Toronto may enter into an agreement to provide for the payment by the municipality to the Treasurer of Ontario on such terms and conditions as may be agreed upon of contributions in respect of the

Idem

moneys required for the purposes of the Public Complaints Commissioner and the Board.

Offence

25. Any person who contravenes subsection 5 of section 16 or subsection 1 of section 22 is guilty of an offence and on conviction is liable to a fine of not more than \$2,000.

Regulations

26. The Lieutenant Governor in Council may make regulations,

- (a) prescribing what shall be taken into account in determining whether misconduct is of a minor or serious nature;
- (b) defining conduct that may be the subject of a complaint;
- (c) respecting the reporting and publication of decisions of the Board;
- (d) assigning duties to the Public Complaints Commissioner;
- (e) prescribing criteria to be used by the Public Complaints Commissioner in evaluating the effectiveness of the system for handling complaints;
- (f) prescribing forms and providing for their use; and
- (g) prescribing any matter that by this Act is required to be or is referred to as prescribed.

Repeal

27. This Act is repealed on a day that is three years after it comes into force or on such day thereafter as is named by proclamation of the Lieutenant Governor.

Commence-
ment

28. This Act comes into force on a day to be named by proclamation of the Lieutenant Governor.

Short title

29. The short title of this Act is *The Metropolitan Police Force Complaints Project Act, 1981*.

An Act for the establishment and conduct of a Project in The Municipality of Metropolitan Toronto to improve methods of processing Complaints by members of the Public against Police Officers on the Metropolitan Police Force

1st Reading

May 15th, 1981

2nd Reading

3rd Reading

THE HON. R. MCMURTRY
Solicitor General

(Government Bill)

BILL 68

Government Bill

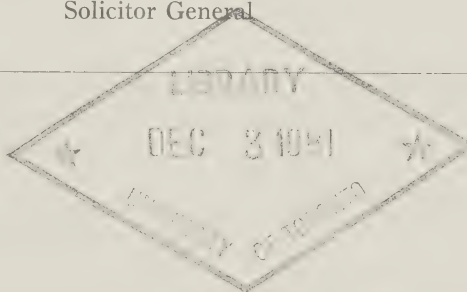
1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

LEGISLATIVE ASSEMBLY

2

An Act for the establishment and conduct of a Project in
The Municipality of Metropolitan Toronto to improve
methods of processing Complaints by members of the
Public against Police Officers on the Metropolitan Police Force

THE HON. R. MCMURTRY
Solicitor General



(Reprinted as amended by the Committee of the Whole House)

TORONTO

PRINTED BY ALAN GORDON, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTE

The Bill establishes a project in The Municipality of Metropolitan Toronto to improve the processing of complaints by the public concerning the conduct of police officers.

Provision is made for the appointment of a Public Complaints Commissioner who shall monitor and review the handling of complaints by the Metropolitan Toronto Police Force and shall exercise the powers and perform other duties set out.

The Bill establishes the Police Complaints Board and provides for its membership and the conduct of hearings by it.

Procedures are established for the making of complaints and the recording, investigation, resolution and disposition thereof.

The project expires three years after the Act comes into force or on such day thereafter as is named by proclamation of the Lieutenant Governor.

BILL 68

1981

An Act for the establishment and conduct of a Project in The Municipality of Metropolitan Toronto to improve methods of processing Complaints by members of the Public against Police Officers on the Metropolitan Police Force

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. In this Act,

Interpre-
tation

- (a) "Board" means the Police Complaints Board;
- (b) "Bureau" means the Public Complaints Investigation Bureau;
- (c) "chief of police" means the chief of police of the Metropolitan Police Force;
- (d) "complaint" means a complaint by a member of the public, made orally or in writing, respecting the conduct of a police officer;
- (e) "police officer" means a police officer on the Metropolitan Police Force;
- (f) "prescribed" means prescribed by the regulations;
- (g) "regulations" means the regulations made under this Act.

2. This Act applies only to complaints made by members of the public respecting the conduct of police officers on the Metropolitan Police Force and hearings under this Act and disciplinary proceedings under the *Police Act* and the regulations thereunder arising out of such complaints.

Application
of Act

R.S.O. 1980,
c. 381

Appointment of Public Complaints Commissioner	3.— (1) The Lieutenant Governor in Council shall appoint a Public Complaints Commissioner to exercise the powers and perform the duties assigned to him by this Act and the regulations.
Officers, etc.	(2) Such officers and employees as are considered necessary from time to time for the purposes of the Public Complaints Commissioner may be appointed under the <i>Public Service Act</i> .
R.S.O. 1980, c. 418	
Annual report	(3) The Public Complaints Commissioner shall report annually upon the affairs of his office to the Solicitor General who shall submit the report to the Lieutenant Governor in Council and shall then lay the report before the Assembly if it is in session or, if not, at the next ensuing session.
Audit	(4) The accounts of the Public Complaints Commissioner shall be audited annually by the Provincial Auditor.
Board established	4.— (1) A board to be known as the Police Complaints Board is hereby established.
Chairman	(2) The Public Complaints Commissioner shall be the chairman of the Board.
Composition and appointment	(3) The Board shall be composed of the chairman and as many other members as the Lieutenant Governor in Council considers proper and such members shall be appointed by the Lieutenant Governor in Council.
Qualifi- cations	(4) One-third of the members of the Board shall be persons who have had training in law.
Recom- mendation for appointment	(5) The Metropolitan Board of Commissioners of Police and the Metropolitan Toronto Police Association shall jointly recommend to the Solicitor General for appointment to the Board such number of persons, other than police officers, as will constitute one-third of the membership of the Board.
Idem	(6) The council of The Municipality of Metropolitan Toronto shall recommend to the Solicitor General for appointment to the Board such number of persons as will constitute one-third of the membership of the Board.
Idem	(7) Recommendations under subsections (5) and (6) shall be made to the Solicitor General within such time as he may specify.
Remuner- ation	(8) The members of the Board shall receive such salaries or remuneration and expenses as may be fixed by the Lieutenant Governor in Council.

(9) The chairman shall have general supervision and direction over the conduct of the affairs of the Board and shall arrange the sittings of the Board and assign members to conduct hearings as circumstances require.

Duties of chairman

(10) The Board shall prepare and publish periodically a summary of its decisions and the reasons therefor and shall report annually on its affairs to the Solicitor General who shall submit the report to the Lieutenant Governor in Council and shall then lay the report before the Assembly if it is in session or, if not, at the next ensuing session.

Summaries and report

(11) The accounts of the Board shall be audited annually by the Provincial Auditor.

Audit

(12) Such officers and employees as are considered necessary from time to time for the purposes of the Board may be appointed under the *Public Service Act*.

Officers, etc.

R.S.O. 1980, c. 418

5.—(1) The chief of police shall establish and maintain for the purposes of this Act a branch of the Metropolitan Police Force to be known as the Public Complaints Investigation Bureau.

Bureau to be established

(2) The chief of police shall ensure that the Bureau is supplied with sufficient staff to effectively receive, record and investigate complaints.

Staff

6.—(1) A member of the public may make a complaint at the Bureau, at any police station in Metropolitan Toronto or at the office of the Public Complaints Commissioner.

Where complaints may be made

(2) The person who receives a complaint shall record the complaint in the prescribed form and shall furnish the person making the complaint with a prescribed statement that sets out the procedures that will be followed respecting the complaint and the rights under this Act of the person making the complaint.

Information

(3) Where a complaint is recorded at a police station, the person recording the complaint shall forward forthwith to the Bureau and to the Public Complaints Commissioner a copy of the complaint.

Copy of complaint

(4) Where a complaint is recorded at the Bureau, the person recording the complaint shall forward forthwith to the Public Complaints Commissioner a copy of the complaint.

Idem

(5) Where a complaint is recorded at the office of the Public Complaints Commissioner, the person recording the complaint shall forward forthwith to the Bureau a copy of the complaint.

Idem

7. Upon receipt of a complaint, the person in charge of the Bureau shall inform forthwith the police officer concerned of the

Police officer to be informed

substance of the complaint, unless, in the opinion of such person, to do so might adversely affect any investigation of the complaint.

Informal
resolution

8.—(1) The person in charge of the Bureau shall consider whether a complaint can be resolved informally and, with the consent of the person making the complaint and the police officer concerned, may attempt to so resolve the complaint.

Record of
informal
resolution

(2) Where a complaint is resolved informally, a record shall be made of the manner in which the complaint was resolved and the person making the complaint and the police officer concerned shall each signify in writing his agreement to such resolution.

Copy of
record to be
furnished

(3) A copy of a record made under subsection (2) shall be furnished forthwith to the Public Complaints Commissioner, the person making the complaint and the police officer concerned.

Informal
resolution

(4) A complaint may be resolved informally by the person in charge of the Bureau in accordance with the procedures in this section at any time during the course of or after an investigation under section 9.

Idem

(5) A complaint may be resolved informally by the Public Complaints Commissioner in accordance with the procedures in this section at any time during the course of or after a review under section 15.

No reference
in personal
record of
police officer

(6) No reference shall be made in the personal record of a police officer to a complaint resolved under this section, except where misconduct has been admitted by the police officer.

Investigation

9.—(1) Where a complaint is not resolved informally, the person in charge of the Bureau shall cause an investigation to be made forthwith into the complaint in accordance with prescribed procedures.

Interim
reports

(2) The person in charge of the Bureau shall forward to the Public Complaints Commissioner, the person who made the complaint and the police officer concerned an interim report in the prescribed form providing a summary of the investigation to date not later than thirty days after receipt of the complaint and shall forward further interim reports to the same persons on a monthly basis during the course of the investigation.

Exception

(3) Notwithstanding subsection (2), the person in charge of the Bureau may decide not to make a report to the person who made the complaint and the police officer concerned where, in his opinion, to do so might adversely affect the investigation of the complaint or where there are no new matters to report, in which

case the person in charge of the Bureau shall forthwith notify the Public Complaints Commissioner of the reasons for his decision.

(4) Where an investigation has been completed, the person in charge of the Bureau shall cause a final investigation report to be prepared and shall forward a copy thereof to the Public Complaints Commissioner, the chief of police, the person who made the complaint and the police officer concerned. Final report

(5) A final investigation report prepared under subsection (4) shall, Idem

- (a) contain a summary of the complaint and a description of the alleged misconduct by the police officer;
- (b) contain a summary of the investigation and of information obtained from the person who made the complaint, the police officer concerned and witnesses, if any; and
- (c) contain a description and analysis of any physical evidence obtained.

10.—(1) The chief of police shall review a final investigation report and he may order such further investigation as he considers advisable and may, unless he decides that no action is warranted, Powers and duties of chief of police

- (a) cause an information alleging the commission of an offence by the police officer concerned to be laid and refer the matter to the Crown attorney for prosecution;
- (b) refer the matter to the Board for a hearing by the Board;
- (c) cause disciplinary proceedings to be taken under the *Police Act* and the regulations thereunder; and R.S.O. 1980, c. 381
- (d) after giving the police officer concerned an opportunity to reply to the complaint, either orally or in writing, counsel or caution the police officer regarding his conduct,

but where the chief of police takes action under clause (b), (c) or (d), he shall not take action under any other of those clauses.

(2) Where the chief of police causes an information to be laid under clause (1) (a), such action shall not stay any hearing by the chief of police or by the Board unless the chief of police or the Board, as the case may be, is of the opinion that the hearing should be stayed until the court proceedings have been concluded. Hearing not stayed

Notice of
action taken

(3) The chief of police shall give forthwith written notice of any action taken by him under subsection (1) or of his decision that no action is warranted to the Public Complaints Commissioner, the person who made the complaint and the police officer concerned and, where his decision is that no action is warranted or he has taken action under clause (1) (d), the chief of police shall give his reasons therefor.

Designation
by chief
of police

(4) The chief of police may designate any police officer to exercise any of his powers and perform any of his duties under this Act and the police officer so designated has the powers and duties set out in the designation and where any power is conditional on the opinion of the chief of police, the requisite opinion shall be that of the designated officer.

Application
of s. 19
R.S.O. 1980,
c. 381

11.—(1) Where the chief of police has caused disciplinary proceedings to be taken under the *Police Act* and the regulations thereunder, subsections 19 (4), (6), (10), (11) and (12) of this Act apply with necessary modifications to a hearing held in connection with such proceedings.

Notice of
decision

(2) The chief of police or, if he is not the person who holds a hearing referred to in subsection (1), the person who holds the hearing shall give forthwith written notice of his decision together with his reasons therefor to the Public Complaints Commissioner, the person who made the complaint and the police officer concerned.

Police officer
may appeal

12. Where a hearing referred to in subsection 11 (1) has been held and a penalty has been imposed upon a police officer, the police officer may appeal to the Board under section 13 of this Act and not as provided in the *Police Act* and the regulations thereunder.

Notice of
appeal

13.—(1) A notice of appeal shall be served on the Board within fifteen days after the police officer receives notice of the penalty imposed.

Extension
of time

(2) Notwithstanding subsection (1), where the chairman of the Board is satisfied that there are *prima facie* grounds for granting relief and that there are reasonable grounds for granting an extension, he may extend the time for giving the notice either before or after the expiration of the fifteen day period referred to in subsection (1) and may give such directions as he considers proper consequent upon such extension.

Powers and
duties of
Public
Complaints
Commissioner

14.—(1) The Public Complaints Commissioner,

(a) shall maintain copies of all records, reports and other material received by him under this Act;



- (b) shall monitor the handling of complaints by the Bureau and the chief of police;
- (c) shall review the record of the informal resolution of a complaint by the person in charge of the Bureau and may request that the person in charge of the Bureau cause an investigation or further investigation, as the case may be, to be made into the complaint;
- (d) may, upon receipt of a copy of the final investigation report from the person in charge of the Bureau, request that the chief of police cause further investigation to be made into the complaint;
- (e) shall receive a request for a review under section 15; and
- (f) shall evaluate the effectiveness of the system for handling complaints.

(2) Where the person in charge of the Bureau or the chief of police causes an investigation to be made under clause (1) (c) or (d), as the case may be, he shall forward the results of his investigation to the Public Complaints Commissioner. Results to be forwarded

(3) Notwithstanding any other provision of this Act, the Public Complaints Commissioner may inquire into and investigate the allegations in the complaint, Public Complaints Commissioner may inquire and investigate

(a) at any time after he receives the first interim report under subsection 9 (2) or the thirty-day period mentioned therein has expired;

(b) upon the request of the chief of police; or

 (c) where there are reasonable grounds to believe that there has been undue delay or other exceptional circumstances in the conduct of an investigation under section 9. 

(4) A decision to take action under clause (3) (c) shall be deemed to be made in the exercise of a statutory power within the meaning of the *Judicial Review Procedure Act*. Review of decision
R.S.O. 1980,
c. 224

(5) The Public Complaints Commissioner shall forthwith notify the chief of police in writing of his intention to conduct an inquiry and investigation under clause (3) (a) or (c) and shall give his reasons therefor in writing and, after he completes any inquiry and investigation under subsection (3), he shall forward the results thereof to the chief of police, and the chief of police shall consider such results in his review of the final investigation report under subsection 10 (1). Notice to chief of police

Request
for review

15.—(1) Where a person who has made a complaint is dissatisfied with the decision made on a disciplinary proceeding arising out of his complaint that is not a decision of the Board or with action taken by the chief of police under clause 10 (1) (d) or with a decision of the chief of police that no action is warranted, he may request the Public Complaints Commissioner to review the matter.

Hearing may
be ordered

(2) Where the Public Complaints Commissioner receives a request under subsection (1), he shall review the matter and may, after such review, order a hearing by the Board if he believes that, in the public interest, such a hearing is required or he may decide to take no further action.

Notice

(3) The Public Complaints Commissioner shall give forthwith written notice to the chief of police, the person who made the complaint and the police officer concerned of his decision under subsection (2) and, where his decision is to take no further action, shall give his reasons therefor.

Where hear-
ing not to
be ordered

(4) The Public Complaints Commissioner shall not order a hearing under subsection (2) where a police officer has appealed to the Board under section 13.

Powers on
investigation

16.—(1) For the purposes of a review under section 15, the Public Complaints Commissioner may inquire into and investigate the allegations in the complaint and, for such purposes, he may, after informing the chief of police, enter a police station and examine therein books, papers, documents and things related to the complaint.

Powers on
inquiry

R.S.O. 1980,
c. 411

(2) For the purposes of an inquiry, the Public Complaints Commissioner has the powers of a commission under Part II of the *Public Inquiries Act*, which Part applies to such inquiry as if it were an inquiry under that Act.

Appointment
of person
to make
inquiry and
investigation

(3) The Public Complaints Commissioner may, in writing, appoint a person to make any inquiry and any investigation he is authorized to make and the person so appointed has all the powers and duties of the Public Complaints Commissioner relating to the inquiry and the investigation.

Report

(4) The person appointed to make an inquiry or investigation shall report the results of his inquiry or investigation to the Public Complaints Commissioner.

Obstruction

(5) No person shall obstruct the Public Complaints Commissioner or a person appointed by him to make an investigation or withhold from him or conceal or destroy any books, papers, documents or things related to the investigation.

(6) Where a justice of the peace is satisfied upon an *ex parte* application by the Public Complaints Commissioner that there is reasonable ground for believing there are in any building, dwelling, receptacle or place any books, papers, documents or things relating to an investigation, the justice of the peace may issue an order authorizing the Public Complaints Commissioner, together with such persons as he calls upon to assist him, to enter and search, if necessary by force, such building, dwelling, receptacle or place for such books, papers, documents or things and to examine them, but every such entry and search shall be made between 6 a.m. and 9 p.m., standard time, unless the justice of the peace, by the order, otherwise authorizes.

Search
warrant

(7) The Public Complaints Commissioner may, upon giving a receipt therefor, remove any books, papers, documents or things examined under subsection (1) or (6) relating to the investigation and shall with reasonable dispatch make copies of such books, papers or documents and return them promptly thereafter to the person from whom they were removed.

Removal of
books, etc.

(8) Any copy made as provided in subsection (7) and certified to be a true copy by the Public Complaints Commissioner is admissible in evidence in any action, proceeding or prosecution as *prima facie* proof of the original book, paper or document and its contents.

Admissibility
of copies

(9) The Public Complaints Commissioner may appoint an expert to examine books, papers, documents or things examined under subsection (1) or (6).

Appointment
of experts

(10) This section applies with necessary modifications to an inquiry and investigation by the Public Complaints Commissioner under subsection 14 (3).

Application

17. Where, after making a review, the Public Complaints Commissioner is of the opinion that a police practice or procedure should be altered, he shall report his opinion and recommendations to the Solicitor General, the Ontario Police Commission, the Metropolitan Board of Commissioners of Police and the chief of police.

Report

18.—(1) Where,

Conduct of
hearing

- (a) the chief of police has referred a matter to the Board under clause 10 (1) (b);
- (b) a police officer has appealed to the Board under section 13; or
- (c) the Public Complaints Commissioner has, under subsection 15 (2), ordered a hearing,

the Board shall hold a hearing and the Public Complaints Commissioner shall assign in accordance with this section a member or members of the Board to conduct the hearing.

Idem (2) Where, in the opinion of the Public Complaints Commissioner, the complaint alleges misconduct by the police officer that is of a minor nature, he shall assign a member of the Board who has had training in law to sit alone to conduct the hearing.

Idem (3) Where, in the opinion of the Public Complaints Commissioner, the complaint alleges misconduct by a police officer that is of a serious nature, he shall assign three members of the Board who shall constitute a panel to conduct the hearing.

Who shall be on panel (4) The chairman of the panel constituted under subsection (3) shall be a member of the Board who has had training in law and, where possible, one member of the panel shall be a person appointed to the Board on the joint recommendation of the Metropolitan Board of Commissioners of Police and the Metropolitan Toronto Police Association and one member shall be a person appointed to the Board on the recommendation of the council of The Municipality of Metropolitan Toronto.

Eligibility (5) Where the chief of police has referred a matter to the Board or a police officer has appealed to the Board, the Public Complaints Commissioner is eligible to sit alone to conduct the hearing under subsection (2) and to be chairman of a panel constituted under subsection (3).

Idem (6) Where the Public Complaints Commissioner has ordered a hearing by the Board, he is not eligible to sit alone to conduct the hearing under subsection (2) or to be a member of a panel constituted under subsection (3).

Public Complaints Commissioner required to sit (7) Where a police officer has appealed to the Board and the Public Complaints Commissioner is of the opinion that the complaint alleges misconduct that is of a minor nature, he shall so advise the police officer who may by written notice given within seven days require that the Public Complaints Commissioner be the member who sits alone to conduct the hearing.

Decisions (8) A decision of a member of the Board sitting alone and a decision of a majority of a panel is a decision of the Board and, for all purposes of a hearing, the member sitting alone or the panel, as the case may be, shall be deemed to be the Board.

Hearing **19.**—(1) The Board shall appoint a time for a hearing and shall conduct a hearing *de novo*.

(2) The Board shall give to the chief of police, the person who made the complaint and the police officer concerned written notice of the hearing and of the time appointed therefor.

Notice of
hearing

(3) The person who made the complaint may attend at the hearing and be represented by counsel or an agent and shall be given an opportunity to be heard and to examine before the hearing the written or documentary evidence or report referred to in subsection (4).

Opportunity
to be
heard

(4) The police officer concerned shall be afforded an opportunity to examine before the hearing any written or documentary evidence that will be produced or any report the contents of which will be given in evidence at the hearing.

Opportunity
to examine
evidence

(5) The member or members of the Board conducting a hearing shall not communicate directly or indirectly in relation to the subject-matter of the hearing with any person or with any party or his representative except upon notice to and opportunity for all parties to participate, but the Board may seek legal advice from an adviser independent from the parties and in such case the nature of the advice should be made known to the parties in order that they may make submissions as to the law.

Member
holding
hearing not
to com-
municate
with party

(6) The oral evidence given at the hearing shall be recorded and, if so required, copies or a transcript thereof shall be furnished upon the same terms as in the Supreme Court.

Oral
evidence

(7) The Board may appoint counsel to assist the Board at the hearing.

Counsel

(8) No member of the Board shall participate in a decision following the hearing unless he was present throughout the hearing and heard the evidence and argument of the parties and, except with the consent of the parties, no decision shall be given unless all members so present participate in the decision.

Only
members at
hearing to
participate
in decision

(9) Documents and things put in evidence at the hearing shall, upon the request of the person who produced them, be released to him within a reasonable time after the matter in issue has been finally determined.

Release of
documents

(10) Notwithstanding section 12 of the *Statutory Powers Procedure Act*, the police officer concerned shall not be required to give evidence at the hearing nor shall any statement or answer required to be given by him in respect of the complaint made against him be admitted in evidence at the hearing, except with his consent.

Police
officer not
required to
give
evidence
R.S.O. 1980,
c. 484

(11) Where the person in charge of the Bureau attempts to resolve a complaint informally and the complaint is not so resolved, any statement or admission made during such attempt by the

Statement
or
admission
not
admissible
in evidence

police officer concerned or by the person who made the complaint shall not be admitted in evidence at the hearing, except with the consent of the police officer or the person who made the complaint, as the case may be.

Proof of
misconduct

(12) No finding of misconduct by the police officer shall be made unless the misconduct is proved beyond a reasonable doubt.

Imposition
of penalty

(13) Where a member of the Board sitting alone finds the police officer guilty of misconduct, he may,

- (a) direct that days off not exceeding five days be forfeited;
- (b) direct that pay not exceeding three days pay be forfeited;
or
- (c) reprimand the police officer.

Idem

(14) Where a panel of the Board finds the police officer guilty of misconduct, it may,

- (a) dismiss the police officer from the Metropolitan Police Force;
- (b) direct that the police officer resign from the Metropolitan Police Force and, in default of resigning within seven days, be summarily dismissed;
- (c) reduce the police officer in rank or gradation of rank and in pay in accordance with the rank to which he is reduced;
- (d) suspend the police officer from duty without pay for a period not exceeding thirty days;
- (e) direct that days off not exceeding twenty days be forfeited;
- (f) direct that pay not exceeding five days pay be forfeited;
or
- (g) reprimand the police officer, which reprimand may be in lieu of or in addition to any other penalty imposed.

Notice of
decision

(15) The Board shall give forthwith written notice of its decision and the reasons therefor to the chief of police, the person who made the complaint and the police officer concerned.

(16) No reference to a hearing conducted by the Board shall be made in the personal record of the police officer concerned unless the Board has made a finding of misconduct by the police officer. No reference to hearing

(17) The Metropolitan Board of Commissioners of Police may, in such cases and to such extent as it thinks fit, pay any legal costs incurred by a police officer in respect of a hearing conducted by the Board and an appeal under section 20. Costs may be paid

20.—(1) A party to a hearing by the Board may appeal from the decision of the Board to the Divisional Court in accordance with the rules of court. Appeal

(2) The Solicitor General is entitled to be heard, by counsel or otherwise, upon the argument of an appeal under this section. Solicitor General entitled to be heard

(3) An appeal under this section may be made on a question that is not a question of fact alone or from a penalty imposed under subsection 19 (14), or on both the question and the penalty. What may be appealed

21. Any notice, report or other material required to be given, furnished, forwarded or otherwise served under this Act is sufficiently served if delivered personally or sent by prepaid first class mail addressed to the person on whom service is required to be made at his last known or usual place of abode. How notice, etc., may be served

22.—(1) Every person engaged in the administration of this Act and the regulations, including a member of the Metropolitan Police Force, shall preserve secrecy in respect of all matters that come to his knowledge in the course of his duties and shall not communicate any such matter to any other person except, Matters confidential

(a) as may be required in connection with the administration of this Act and the regulations or the *Police Act* and the regulations thereunder; R.S.O. 1980, c. 381

(b) as may be required for the due enforcement of the law;

(c) to his counsel; or

(d) with the consent of the person to whom the matter relates.


(2) No person to whom subsection (1) applies shall be required to give testimony in any civil suit or proceeding with regard to information obtained by him in the course of his duties, except at a hearing under this Act or in a disciplinary proceeding under the *Police Act* and the regulations thereunder. Testimony


- What is inadmissible in evidence
- R.S.O. 1980, c. 381
- (3) No record, report, writing or document arising out of a complaint is admissible or may be used in evidence in any civil suit or proceeding, except at a hearing under this Act or in a disciplinary proceeding under the *Police Act* and the regulations thereunder.
- Idem
- (4) No oral statement, answer or admission referred to in subsections 19 (10) and (11) is admissible or may be used in evidence in any civil suit or proceeding, except at a hearing under this Act or in a disciplinary proceeding under the *Police Act* and the regulations thereunder.
- R.S.O. 1980, c. 325 does not apply
- Moneys
- 23.** The *Ombudsman Act* does not apply to the Public Complaints Commissioner or the Board.
- 24.**—(1) The moneys required for the purposes of the Public Complaints Commissioner and the Board shall, until the 31st day of March, 1982, be paid out of the Consolidated Revenue Fund and thereafter shall be paid out of the moneys appropriated therefor by the Legislature.
- Idem
- (2) The Solicitor General, with the approval of the Lieutenant Governor in Council, and The Municipality of Metropolitan Toronto may enter into an agreement to provide for the payment by the municipality to the Treasurer of Ontario on such terms and conditions as may be agreed upon of contributions in respect of the moneys required for the purposes of the Public Complaints Commissioner and the Board.
- Offence
- 25.** Any person who contravenes subsection 16 (5) or subsection 22 (1) is guilty of an offence and on conviction is liable to a fine of not more than \$2,000.
- Regulations
- 26.** The Lieutenant Governor in Council may make regulations,
- (a) prescribing what shall be taken into account in determining whether misconduct is of a minor or serious nature;
 - (b) defining conduct that may be the subject of a complaint;
 - (c) respecting the reporting and publication of decisions of the Board;
 - (d) assigning duties to the Public Complaints Commissioner;
 - (e) prescribing criteria to be used by the Public Complaints Commissioner in evaluating the effectiveness of the system for handling complaints;

(f) prescribing forms and providing for their use; and

(g) prescribing any matter that by this Act is required to be or is referred to as prescribed.

27.—(1) This Act is repealed on a day that is three years after ^{Repeal} it comes into force or on such day thereafter as is named by proclamation of the Lieutenant Governor.

 (2) The Public Complaints Commissioner shall prepare a ^{Report} report evaluating the effectiveness of the system for handling complaints during the three years of operation of the project and shall forward copies of the report to the Solicitor General and the council of The Municipality of Metropolitan Toronto.

(3) The Solicitor General shall submit the report to the ^{Idem} Lieutenant Governor in Council and shall then lay the report before the Assembly if it is in session or, if not, at the next ensuing session. 

28. This Act comes into force on a day to be named by procla- ^{Commence-} mation of the Lieutenant Governor. ^{ment}

29. The short title of this Act is the *Metropolitan Police* ^{Short title} *Force Complaints Project Act, 1981.*

An Act for the establishment and conduct of a Project in The Municipality of Metropolitan Toronto to improve methods of processing Complaints by members of the Public against Police Officers on the Metropolitan Police Force

1st Reading

May 15th, 1981

2nd Reading

July 3rd, 1981

3rd Reading

THE HON. R. McMURTRY
Solicitor General

(Reprinted as amended by the
Committee of the Whole House)

3
BILL 68

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981



An Act for the establishment and conduct of a Project in
The Municipality of Metropolitan Toronto to improve
methods of processing Complaints by members of the
Public against Police Officers on the Metropolitan Police Force

THE HON. R. MCMURTRY
Solicitor General

TORONTO

PRINTED BY ALAN GORDON, QUEEN'S PRINTER FOR ONTARIO

BILL 68

1981

An Act for the establishment and conduct of a Project in The Municipality of Metropolitan Toronto to improve methods of processing Complaints by members of the Public against Police Officers on the Metropolitan Police Force

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. In this Act,

Interpre-
tation

- (a) "Board" means the Police Complaints Board;
- (b) "Bureau" means the Public Complaints Investigation Bureau;
- (c) "chief of police" means the chief of police of the Metropolitan Police Force;
- (d) "complaint" means a complaint by a member of the public, made orally or in writing, respecting the conduct of a police officer;
- (e) "police officer" means a police officer on the Metropolitan Police Force;
- (f) "prescribed" means prescribed by the regulations;
- (g) "regulations" means the regulations made under this Act.

2. This Act applies only to complaints made by members of the public respecting the conduct of police officers on the Metropolitan Police Force and hearings under this Act and disciplinary proceedings under the *Police Act* and the regulations thereunder arising out of such complaints.

Application
of Act

R.S.O. 1980,
c. 381

Appointment
of Public
Complaints
Commissioner

3.—(1) The Lieutenant Governor in Council shall appoint a Public Complaints Commissioner to exercise the powers and perform the duties assigned to him by this Act and the regulations.

Officers,
etc.

(2) Such officers and employees as are considered necessary from time to time for the purposes of the Public Complaints Commissioner may be appointed under the *Public Service Act*.

R.S.O. 1980,
c. 418

Annual
report

(3) The Public Complaints Commissioner shall report annually upon the affairs of his office to the Solicitor General who shall submit the report to the Lieutenant Governor in Council and shall then lay the report before the Assembly if it is in session or, if not, at the next ensuing session.

Audit

(4) The accounts of the Public Complaints Commissioner shall be audited annually by the Provincial Auditor.

Board
established

4.—(1) A board to be known as the Police Complaints Board is hereby established.

Chairman

(2) The Public Complaints Commissioner shall be the chairman of the Board.

Composition
and
appointment

(3) The Board shall be composed of the chairman and as many other members as the Lieutenant Governor in Council considers proper and such members shall be appointed by the Lieutenant Governor in Council.

Qualifi-
cations

(4) One-third of the members of the Board shall be persons who have had training in law.

Recom-
mendation
for
appointment

(5) The Metropolitan Board of Commissioners of Police and the Metropolitan Toronto Police Association shall jointly recommend to the Solicitor General for appointment to the Board such number of persons, other than police officers, as will constitute one-third of the membership of the Board.

Idem

(6) The council of The Municipality of Metropolitan Toronto shall recommend to the Solicitor General for appointment to the Board such number of persons as will constitute one-third of the membership of the Board.

Idem

(7) Recommendations under subsections (5) and (6) shall be made to the Solicitor General within such time as he may specify.

Remuner-
ation

(8) The members of the Board shall receive such salaries or remuneration and expenses as may be fixed by the Lieutenant Governor in Council.

(9) The chairman shall have general supervision and direction over the conduct of the affairs of the Board and shall arrange the sittings of the Board and assign members to conduct hearings as circumstances require.

Duties of
chairman

(10) The Board shall prepare and publish periodically a summary of its decisions and the reasons therefor and shall report annually on its affairs to the Solicitor General who shall submit the report to the Lieutenant Governor in Council and shall then lay the report before the Assembly if it is in session or, if not, at the next ensuing session.

Summaries
and
report

(11) The accounts of the Board shall be audited annually by the Provincial Auditor.

Audit

(12) Such officers and employees as are considered necessary from time to time for the purposes of the Board may be appointed under the *Public Service Act*.

Officers,
etc.

R.S.O. 1980,
c. 418

5.—(1) The chief of police shall establish and maintain for the purposes of this Act a branch of the Metropolitan Police Force to be known as the Public Complaints Investigation Bureau.

Bureau to be
established

(2) The chief of police shall ensure that the Bureau is supplied with sufficient staff to effectively receive, record and investigate complaints.

Staff

6.—(1) A member of the public may make a complaint at the Bureau, at any police station in Metropolitan Toronto or at the office of the Public Complaints Commissioner.

Where com-
plaints may
be made

(2) The person who receives a complaint shall record the complaint in the prescribed form and shall furnish the person making the complaint with a prescribed statement that sets out the procedures that will be followed respecting the complaint and the rights under this Act of the person making the complaint.

Information

(3) Where a complaint is recorded at a police station, the person recording the complaint shall forward forthwith to the Bureau and to the Public Complaints Commissioner a copy of the complaint.

Copy of
complaint

(4) Where a complaint is recorded at the Bureau, the person recording the complaint shall forward forthwith to the Public Complaints Commissioner a copy of the complaint.

Idem

(5) Where a complaint is recorded at the office of the Public Complaints Commissioner, the person recording the complaint shall forward forthwith to the Bureau a copy of the complaint.

Idem

7. Upon receipt of a complaint, the person in charge of the Bureau shall inform forthwith the police officer concerned of the

Police officer
to be informed

substance of the complaint, unless, in the opinion of such person, to do so might adversely affect any investigation of the complaint.

Informal
resolution

8.—(1) The person in charge of the Bureau shall consider whether a complaint can be resolved informally and, with the consent of the person making the complaint and the police officer concerned, may attempt to so resolve the complaint.

Record of
informal
resolution

(2) Where a complaint is resolved informally, a record shall be made of the manner in which the complaint was resolved and the person making the complaint and the police officer concerned shall each signify in writing his agreement to such resolution.

Copy of
record to be
furnished

(3) A copy of a record made under subsection (2) shall be furnished forthwith to the Public Complaints Commissioner, the person making the complaint and the police officer concerned.

Informal
resolution

(4) A complaint may be resolved informally by the person in charge of the Bureau in accordance with the procedures in this section at any time during the course of or after an investigation under section 9.

Idem

(5) A complaint may be resolved informally by the Public Complaints Commissioner in accordance with the procedures in this section at any time during the course of or after a review under section 15.

No reference
in personal
record of
police officer

(6) No reference shall be made in the personal record of a police officer to a complaint resolved under this section, except where misconduct has been admitted by the police officer.

Investigation

9.—(1) Where a complaint is not resolved informally, the person in charge of the Bureau shall cause an investigation to be made forthwith into the complaint in accordance with prescribed procedures.

Interim
reports

(2) The person in charge of the Bureau shall forward to the Public Complaints Commissioner, the person who made the complaint and the police officer concerned an interim report in the prescribed form providing a summary of the investigation to date not later than thirty days after receipt of the complaint and shall forward further interim reports to the same persons on a monthly basis during the course of the investigation.

Exception

(3) Notwithstanding subsection (2), the person in charge of the Bureau may decide not to make a report to the person who made the complaint and the police officer concerned where, in his opinion, to do so might adversely affect the investigation of the complaint or where there are no new matters to report, in which

case the person in charge of the Bureau shall forthwith notify the Public Complaints Commissioner of the reasons for his decision.

(4) Where an investigation has been completed, the person in charge of the Bureau shall cause a final investigation report to be prepared and shall forward a copy thereof to the Public Complaints Commissioner, the chief of police, the person who made the complaint and the police officer concerned. ^{Final report}

(5) A final investigation report prepared under subsection (4) shall, ^{Idem}

- (a) contain a summary of the complaint and a description of the alleged misconduct by the police officer;
- (b) contain a summary of the investigation and of information obtained from the person who made the complaint, the police officer concerned and witnesses, if any; and
- (c) contain a description and analysis of any physical evidence obtained.

10.—(1) The chief of police shall review a final investigation report and he may order such further investigation as he considers advisable and may, unless he decides that no action is warranted, ^{Powers and duties of chief of police}

- (a) cause an information alleging the commission of an offence by the police officer concerned to be laid and refer the matter to the Crown attorney for prosecution;
- (b) refer the matter to the Board for a hearing by the Board;
- (c) cause disciplinary proceedings to be taken under the *Police Act* and the regulations thereunder; and
- (d) after giving the police officer concerned an opportunity to reply to the complaint, either orally or in writing, counsel or caution the police officer regarding his conduct,

R.S.O. 1980,
c. 381

but where the chief of police takes action under clause (b), (c) or (d), he shall not take action under any other of those clauses.

(2) Where the chief of police causes an information to be laid under clause (1) (a), such action shall not stay any hearing by the chief of police or by the Board unless the chief of police or the Board, as the case may be, is of the opinion that the hearing should be stayed until the court proceedings have been concluded. ^{Hearing not stayed}

Notice of
action taken

(3) The chief of police shall give forthwith written notice of any action taken by him under subsection (1) or of his decision that no action is warranted to the Public Complaints Commissioner, the person who made the complaint and the police officer concerned and, where his decision is that no action is warranted or he has taken action under clause (1) (d), the chief of police shall give his reasons therefor.

Designation
by chief
of police

(4) The chief of police may designate any police officer to exercise any of his powers and perform any of his duties under this Act and the police officer so designated has the powers and duties set out in the designation and where any power is conditional on the opinion of the chief of police, the requisite opinion shall be that of the designated officer.

Application
of s. 19
R.S.O. 1980,
c. 381

11.—(1) Where the chief of police has caused disciplinary proceedings to be taken under the *Police Act* and the regulations thereunder, subsections 19 (4), (6), (10), (11) and (12) of this Act apply with necessary modifications to a hearing held in connection with such proceedings.

Notice of
decision

(2) The chief of police or, if he is not the person who holds a hearing referred to in subsection (1), the person who holds the hearing shall give forthwith written notice of his decision together with his reasons therefor to the Public Complaints Commissioner, the person who made the complaint and the police officer concerned.

Police officer
may appeal

12. Where a hearing referred to in subsection 11 (1) has been held and a penalty has been imposed upon a police officer, the police officer may appeal to the Board under section 13 of this Act and not as provided in the *Police Act* and the regulations thereunder.

Notice of
appeal

13.—(1) A notice of appeal shall be served on the Board within fifteen days after the police officer receives notice of the penalty imposed.

Extension
of time

(2) Notwithstanding subsection (1), where the chairman of the Board is satisfied that there are *prima facie* grounds for granting relief and that there are reasonable grounds for granting an extension, he may extend the time for giving the notice either before or after the expiration of the fifteen day period referred to in subsection (1) and may give such directions as he considers proper consequent upon such extension.

Powers and
duties of
Public
Complaints
Commissioner

14.—(1) The Public Complaints Commissioner,

(a) shall maintain copies of all records, reports and other material received by him under this Act;

- (b) shall monitor the handling of complaints by the Bureau and the chief of police;
- (c) shall review the record of the informal resolution of a complaint by the person in charge of the Bureau and may request that the person in charge of the Bureau cause an investigation or further investigation, as the case may be, to be made into the complaint;
- (d) may, upon receipt of a copy of the final investigation report from the person in charge of the Bureau, request that the chief of police cause further investigation to be made into the complaint;
- (e) shall receive a request for a review under section 15; and
- (f) shall evaluate the effectiveness of the system for handling complaints.

(2) Where the person in charge of the Bureau or the chief of police causes an investigation to be made under clause (1) (c) or (d), as the case may be, he shall forward the results of his investigation to the Public Complaints Commissioner. Results to be forwarded

(3) Notwithstanding any other provision of this Act, the Public Complaints Commissioner may inquire into and investigate the allegations in the complaint, Public Complaints Commissioner may inquire and investigate

(a) at any time after he receives the first interim report under subsection 9 (2) or the thirty-day period mentioned therein has expired;

(b) upon the request of the chief of police; or

(c) where there are reasonable grounds to believe that there has been undue delay or other exceptional circumstances in the conduct of an investigation under section 9.

(4) A decision to take action under clause (3) (c) shall be deemed to be made in the exercise of a statutory power within the meaning of the *Judicial Review Procedure Act*. Review of decision
R.S.O. 1980,
c. 224

(5) The Public Complaints Commissioner shall forthwith notify the chief of police in writing of his intention to conduct an inquiry and investigation under clause (3) (a) or (c) and shall give his reasons therefor in writing and, after he completes any inquiry and investigation under subsection (3), he shall forward the results thereof to the chief of police, and the chief of police shall consider such results in his review of the final investigation report under subsection 10 (1). Notice to chief of police

Request
for review

15.—(1) Where a person who has made a complaint is dissatisfied with the decision made on a disciplinary proceeding arising out of his complaint that is not a decision of the Board or with action taken by the chief of police under clause 10 (1) (d) or with a decision of the chief of police that no action is warranted, he may request the Public Complaints Commissioner to review the matter.

Hearing may
be ordered

(2) Where the Public Complaints Commissioner receives a request under subsection (1), he shall review the matter and may, after such review, order a hearing by the Board if he believes that, in the public interest, such a hearing is required or he may decide to take no further action.

Notice

(3) The Public Complaints Commissioner shall give forthwith written notice to the chief of police, the person who made the complaint and the police officer concerned of his decision under subsection (2) and, where his decision is to take no further action, shall give his reasons therefor.

Where hear-
ing not to
be ordered

(4) The Public Complaints Commissioner shall not order a hearing under subsection (2) where a police officer has appealed to the Board under section 13.

Powers on
investigation

16.—(1) For the purposes of a review under section 15, the Public Complaints Commissioner may inquire into and investigate the allegations in the complaint and, for such purposes, he may, after informing the chief of police, enter a police station and examine therein books, papers, documents and things related to the complaint.

Powers on
inquiry

R.S.O. 1980,
c. 411

(2) For the purposes of an inquiry, the Public Complaints Commissioner has the powers of a commission under Part II of the *Public Inquiries Act*, which Part applies to such inquiry as if it were an inquiry under that Act.

Appointment
of person
to make
inquiry and
investigation

(3) The Public Complaints Commissioner may, in writing, appoint a person to make any inquiry and any investigation he is authorized to make and the person so appointed has all the powers and duties of the Public Complaints Commissioner relating to the inquiry and the investigation.

Report

(4) The person appointed to make an inquiry or investigation shall report the results of his inquiry or investigation to the Public Complaints Commissioner.

Obstruction

(5) No person shall obstruct the Public Complaints Commissioner or a person appointed by him to make an investigation or withhold from him or conceal or destroy any books, papers, documents or things related to the investigation.

(6) Where a justice of the peace is satisfied upon an *ex parte* ^{Search warrant} application by the Public Complaints Commissioner that there is reasonable ground for believing there are in any building, dwelling, receptacle or place any books, papers, documents or things relating to an investigation, the justice of the peace may issue an order authorizing the Public Complaints Commissioner, together with such persons as he calls upon to assist him, to enter and search, if necessary by force, such building, dwelling, receptacle or place for such books, papers, documents or things and to examine them, but every such entry and search shall be made between 6 a.m. and 9 p.m., standard time, unless the justice of the peace, by the order, otherwise authorizes.

(7) The Public Complaints Commissioner may, upon giving a ^{Removal of books, etc.} receipt therefor, remove any books, papers, documents or things examined under subsection (1) or (6) relating to the investigation and shall with reasonable dispatch make copies of such books, papers or documents and return them promptly thereafter to the person from whom they were removed.

(8) Any copy made as provided in subsection (7) and certified to be a true copy by the Public Complaints Commissioner is admissible in evidence in any action, proceeding or prosecution as *prima facie* proof of the original book, paper or document and its contents. ^{Admissibility of copies}

(9) The Public Complaints Commissioner may appoint an ^{Appointment of experts} expert to examine books, papers, documents or things examined under subsection (1) or (6).

(10) This section applies with necessary modifications to an ^{Application} inquiry and investigation by the Public Complaints Commissioner under subsection 14 (3).

17. Where, after making a review, the Public Complaints ^{Report} Commissioner is of the opinion that a police practice or procedure should be altered, he shall report his opinion and recommendations to the Solicitor General, the Ontario Police Commission, the Metropolitan Board of Commissioners of Police and the chief of police.

18.—(1) Where,

^{Conduct of hearing}

- (a) the chief of police has referred a matter to the Board under clause 10 (1) (b);
- (b) a police officer has appealed to the Board under section 13; or
- (c) the Public Complaints Commissioner has, under subsection 15 (2), ordered a hearing,

the Board shall hold a hearing and the Public Complaints Commissioner shall assign in accordance with this section a member or members of the Board to conduct the hearing.

Idem

(2) Where, in the opinion of the Public Complaints Commissioner, the complaint alleges misconduct by the police officer that is of a minor nature, he shall assign a member of the Board who has had training in law to sit alone to conduct the hearing.

Idem

(3) Where, in the opinion of the Public Complaints Commissioner, the complaint alleges misconduct by a police officer that is of a serious nature, he shall assign three members of the Board who shall constitute a panel to conduct the hearing.

Who shall
be on
panel

(4) The chairman of the panel constituted under subsection (3) shall be a member of the Board who has had training in law and, where possible, one member of the panel shall be a person appointed to the Board on the joint recommendation of the Metropolitan Board of Commissioners of Police and the Metropolitan Toronto Police Association and one member shall be a person appointed to the Board on the recommendation of the council of The Municipality of Metropolitan Toronto.

Eligibility

(5) Where the chief of police has referred a matter to the Board or a police officer has appealed to the Board, the Public Complaints Commissioner is eligible to sit alone to conduct the hearing under subsection (2) and to be chairman of a panel constituted under subsection (3).

Idem

(6) Where the Public Complaints Commissioner has ordered a hearing by the Board, he is not eligible to sit alone to conduct the hearing under subsection (2) or to be a member of a panel constituted under subsection (3).

Public
Complaints
Commissioner
required
to sit

(7) Where a police officer has appealed to the Board and the Public Complaints Commissioner is of the opinion that the complaint alleges misconduct that is of a minor nature, he shall so advise the police officer who may by written notice given within seven days require that the Public Complaints Commissioner be the member who sits alone to conduct the hearing.

Decisions

(8) A decision of a member of the Board sitting alone and a decision of a majority of a panel is a decision of the Board and, for all purposes of a hearing, the member sitting alone or the panel, as the case may be, shall be deemed to be the Board.

Hearing

19.—(1) The Board shall appoint a time for a hearing and shall conduct a hearing *de novo*.

(2) The Board shall give to the chief of police, the person who made the complaint and the police officer concerned written notice of the hearing and of the time appointed therefor.

Notice of hearing

(3) The person who made the complaint may attend at the hearing and be represented by counsel or an agent and shall be given an opportunity to be heard and to examine before the hearing the written or documentary evidence or report referred to in subsection (4).

Opportunity to be heard

(4) The police officer concerned shall be afforded an opportunity to examine before the hearing any written or documentary evidence that will be produced or any report the contents of which will be given in evidence at the hearing.

Opportunity to examine evidence

(5) The member or members of the Board conducting a hearing shall not communicate directly or indirectly in relation to the subject-matter of the hearing with any person or with any party or his representative except upon notice to and opportunity for all parties to participate, but the Board may seek legal advice from an adviser independent from the parties and in such case the nature of the advice should be made known to the parties in order that they may make submissions as to the law.

Member holding hearing not to communicate with party

(6) The oral evidence given at the hearing shall be recorded and, if so required, copies or a transcript thereof shall be furnished upon the same terms as in the Supreme Court.

Oral evidence

(7) The Board may appoint counsel to assist the Board at the hearing.

Counsel

(8) No member of the Board shall participate in a decision following the hearing unless he was present throughout the hearing and heard the evidence and argument of the parties and, except with the consent of the parties, no decision shall be given unless all members so present participate in the decision.

Only members at hearing to participate in decision

(9) Documents and things put in evidence at the hearing shall, upon the request of the person who produced them, be released to him within a reasonable time after the matter in issue has been finally determined.

Release of documents

(10) Notwithstanding section 12 of the *Statutory Powers Procedure Act*, the police officer concerned shall not be required to give evidence at the hearing nor shall any statement or answer required to be given by him in respect of the complaint made against him be admitted in evidence at the hearing, except with his consent.

Police officer not required to give evidence
R.S.O. 1980, c. 484

(11) Where the person in charge of the Bureau attempts to resolve a complaint informally and the complaint is not so resolved, any statement or admission made during such attempt by the

Statement or admission not admissible in evidence

police officer concerned or by the person who made the complaint shall not be admitted in evidence at the hearing, except with the consent of the police officer or the person who made the complaint, as the case may be.

Proof of
misconduct

(12) No finding of misconduct by the police officer shall be made unless the misconduct is proved beyond a reasonable doubt.

Imposition
of penalty

(13) Where a member of the Board sitting alone finds the police officer guilty of misconduct, he may,

- (a) direct that days off not exceeding five days be forfeited;
- (b) direct that pay not exceeding three days pay be forfeited;
or
- (c) reprimand the police officer.

Idem

(14) Where a panel of the Board finds the police officer guilty of misconduct, it may,

- (a) dismiss the police officer from the Metropolitan Police Force;
- (b) direct that the police officer resign from the Metropolitan Police Force and, in default of resigning within seven days, be summarily dismissed;
- (c) reduce the police officer in rank or gradation of rank and in pay in accordance with the rank to which he is reduced;
- (d) suspend the police officer from duty without pay for a period not exceeding thirty days;
- (e) direct that days off not exceeding twenty days be forfeited;
- (f) direct that pay not exceeding five days pay be forfeited;
or
- (g) reprimand the police officer, which reprimand may be in lieu of or in addition to any other penalty imposed.

Notice of
decision

(15) The Board shall give forthwith written notice of its decision and the reasons therefor to the chief of police, the person who made the complaint and the police officer concerned.

(16) No reference to a hearing conducted by the Board shall be made in the personal record of the police officer concerned unless the Board has made a finding of misconduct by the police officer. No reference to hearing

(17) The Metropolitan Board of Commissioners of Police may, in such cases and to such extent as it thinks fit, pay any legal costs incurred by a police officer in respect of a hearing conducted by the Board and an appeal under section 20. Costs may be paid

20.—(1) A party to a hearing by the Board may appeal from the decision of the Board to the Divisional Court in accordance with the rules of court. Appeal

(2) The Solicitor General is entitled to be heard, by counsel or otherwise, upon the argument of an appeal under this section. Solicitor General entitled to be heard

(3) An appeal under this section may be made on a question that is not a question of fact alone or from a penalty imposed under subsection 19 (14), or on both the question and the penalty. What may be appealed

21. Any notice, report or other material required to be given, furnished, forwarded or otherwise served under this Act is sufficiently served if delivered personally or sent by prepaid first class mail addressed to the person on whom service is required to be made at his last known or usual place of abode. How notice, etc., may be served

22.—(1) Every person engaged in the administration of this Act and the regulations, including a member of the Metropolitan Police Force, shall preserve secrecy in respect of all matters that come to his knowledge in the course of his duties and shall not communicate any such matter to any other person except, Matters confidential

(a) as may be required in connection with the administration of this Act and the regulations or the *Police Act* and the regulations thereunder; R.S.O. 1980, c. 381

(b) as may be required for the due enforcement of the law;

(c) to his counsel; or

(d) with the consent of the person to whom the matter relates.

(2) No person to whom subsection (1) applies shall be required to give testimony in any civil suit or proceeding with regard to information obtained by him in the course of his duties, except at a hearing under this Act or in a disciplinary proceeding under the *Police Act* and the regulations thereunder. Testimony

What is inadmissible in evidence

(3) No record, report, writing or document arising out of a complaint is admissible or may be used in evidence in any civil suit or proceeding, except at a hearing under this Act or in a disciplinary proceeding under the *Police Act* and the regulations thereunder.

R.S.O. 1980, c. 381

Idem

(4) No oral statement, answer or admission referred to in subsections 19 (10) and (11) is admissible or may be used in evidence in any civil suit or proceeding, except at a hearing under this Act or in a disciplinary proceeding under the *Police Act* and the regulations thereunder.

R.S.O. 1980, c. 325 does not apply

23. The *Ombudsman Act* does not apply to the Public Complaints Commissioner or the Board.

Moneys

24.—(1) The moneys required for the purposes of the Public Complaints Commissioner and the Board shall, until the 31st day of March, 1982, be paid out of the Consolidated Revenue Fund and thereafter shall be paid out of the moneys appropriated therefor by the Legislature.

Idem

(2) The Solicitor General, with the approval of the Lieutenant Governor in Council, and The Municipality of Metropolitan Toronto may enter into an agreement to provide for the payment by the municipality to the Treasurer of Ontario on such terms and conditions as may be agreed upon of contributions in respect of the moneys required for the purposes of the Public Complaints Commissioner and the Board.

Offence

25. Any person who contravenes subsection 16 (5) or subsection 22 (1) is guilty of an offence and on conviction is liable to a fine of not more than \$2,000.

Regulations

26. The Lieutenant Governor in Council may make regulations,

- (a) prescribing what shall be taken into account in determining whether misconduct is of a minor or serious nature;
- (b) defining conduct that may be the subject of a complaint;
- (c) respecting the reporting and publication of decisions of the Board;
- (d) assigning duties to the Public Complaints Commissioner;
- (e) prescribing criteria to be used by the Public Complaints Commissioner in evaluating the effectiveness of the system for handling complaints;

(f) prescribing forms and providing for their use; and

(g) prescribing any matter that by this Act is required to be or is referred to as prescribed.

27.—(1) This Act is repealed on a day that is three years after ^{Repeal} it comes into force or on such day thereafter as is named by proclamation of the Lieutenant Governor.

(2) The Public Complaints Commissioner shall prepare a ^{Report} report evaluating the effectiveness of the system for handling complaints during the three years of operation of the project and shall forward copies of the report to the Solicitor General and the council of The Municipality of Metropolitan Toronto.

(3) The Solicitor General shall submit the report to the ^{Idem} Lieutenant Governor in Council and shall then lay the report before the Assembly if it is in session or, if not, at the next ensuing session.

28. This Act comes into force on a day to be named by procla- ^{Commence-} mation of the Lieutenant Governor. ^{ment}

29. The short title of this Act is the *Metropolitan Police* ^{Short title} *Force Complaints Project Act, 1981.*

An Act for the establishment and conduct of a Project in The Municipality of Metropolitan Toronto to improve methods of processing Complaints by members of the Public against Police Officers on the Metropolitan Police Force

1st Reading

May 15th, 1981

2nd Reading

July 3rd, 1981

3rd Reading

November 17th, 1981

THE HON. R. McMURTRY
Solicitor General

2/7/81

Publication

BILL 69

Government Bill

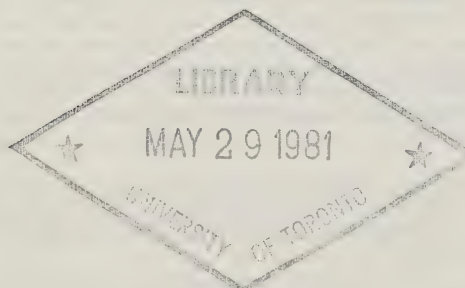
1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

LEGISLATIVE COUNCIL

2

**An Act to amend
The Ontario Unconditional Grants Act, 1975**

THE HON. T. L. WELLS
Minister of Intergovernmental Affairs



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTES

SECTION 1. Clause *c* of subsection 1 of section 1 of the Act as it now reads is set out below showing underlined the word to be changed by the amendment:

- (c) "*commercial assessment*" means the total of,
- (i) *the assessment for real property that is used as a basis for computing business assessment including the assessment for real property that is rented and is occupied or used by the Crown in right of Canada, or any province or any board, commission, corporation, or other agency thereof, or by any municipal or regional corporation or local board thereof,*
 - (ii) *the business assessment, and*
 - (iii) *the assessment for mineral lands, railway lands, other than railway lands actually in use for residential and farming purposes, and pipelines,*

according to the last revised assessment roll.

The revised roll is not available until all appeals have been determined, which, in the case of a large municipality, may be some years. The last returned assessment roll is thus the most current up-to-date roll and is in fact the roll that is equalized by the Ministry of Revenue under section 71 of *The Assessment Act* to provide the appropriate basis on which costs may be proportioned and grants provided. Complementary amendments are made in sections 5 and 6 (1) of the Bill.

SECTION 2. The effect of the re-enactment of paragraphs 3 and 4 of section 3 of the Act is to increase the per capita police grant, in the case of regional municipalities, from \$15 to \$17, and in the case of area municipalities, from \$10 to \$12.

SECTION 3. Complementary to section 2 of the Bill.

SECTION 4. The per capita grant to a municipality maintaining its own police force is increased from \$10 to \$12.

BILL 69

1981

An Act to amend The Ontario Unconditional Grants Act, 1975

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Clause *c* of subsection 1 of section 1 of *The Ontario Unconditional Grants Act, 1975*, being chapter 7, is amended by striking out “revised” in the fifteenth line and inserting in lieu thereof “returned”. s. 1 (1) (c),
amended

2. Paragraphs 3 and 4 of section 3 of the said Act, as re-enacted by the Statutes of Ontario, 1977, chapter 7, section 1, are repealed and the following substituted therefor: s. 3,
pars. 3, 4,
re-enacted
 3. \$17 per capita where a regional municipality is deemed to be a city for the purposes of *The Police Act*. R.S.O. 1970,
c. 351

 4. \$12 per capita based on the population of each area municipality providing its own law enforcement by maintaining its own police force or being under contract for the policing of the municipality by the Ontario Provincial Police Force in accordance with *The Police Act*.

3. Clauses *c* and *d* of section 4 of the said Act, as re-enacted by the Statutes of Ontario, 1977, chapter 7, section 1, are repealed and the following substituted therefor: s. 4 (c, d),
re-enacted
 - (c) \$17 where a regional municipality is deemed to be a city for the purposes of *The Police Act*; or R.S.O. 1970,
c. 351

 - (d) \$12 in relation to each area municipality to which paragraph 4 of section 3 applies.

4. Subsection 3 of section 5 of the said Act, as re-enacted by the Statutes of Ontario, 1977, chapter 7, section 2, is repealed and the following substituted therefor: s. 5 (3),
re-enacted

Idem	(3) In each year, payments of \$12 per capita shall be made to each municipality providing its own law enforcement by maintaining its own police force, or being under contract for the policing of the municipality by the Ontario Provincial Police Force in accordance with <i>The Police Act</i> .
R.S.O. 1970, c. 351	
s. 6a, amended	5. Section 6a of the said Act, as enacted by the Statutes of Ontario, 1980, chapter 75, section 2, is amended by striking out "revised" in the seventh line and inserting in lieu thereof "returned".
s. 7 (1) (e), amended	6.—(1) Clause e of subsection 1 of section 7 of the said Act is amended by striking out "revised" in the third line and inserting in lieu thereof "returned".
s. 7 (5), amended	(2) Subsection 5 of the said section 7, as re-enacted by the Statutes of Ontario, 1979, chapter 10, section 1, is amended by striking out "revised assessment roll as equalized by the Ministry of Revenue" in the tenth and eleventh lines and inserting in lieu thereof "returned assessment roll as equalized in accordance with the factor by which the last revised assessment roll of the lower tier municipality was equalized for apportionment purposes in the year 1979".
s. 9, re-enacted	7. Section 9 of the said Act, as re-enacted by the Statutes of Ontario, 1979, chapter 111, section 1, is repealed and the following substituted therefor:
Resource equalization grants	9.—(1) In each year there shall be paid a resource equalization grant in respect of each lower tier municipality whose equalized assessment per capita in the preceding year as is determined in the prescribed manner is below such standard equalized assessment per capita as may be prescribed, and the amount of the grant shall be based, in the manner and subject to such limits as may be prescribed, on the proportion that 60 per cent of such deficiency of equalized assessment per capita bears to the prescribed standard equalized assessment per capita as applied to the net levy of the lower tier municipality.
Payment of grants	(2) A grant payable under subsection 1 shall be paid to the lower tier municipality in respect of which it was determined and to the upper tier municipality within which that lower tier municipality is situate, in the proportion prescribed, and the portion of the grant payable to the upper tier municipality in that year shall be credited by the upper tier municipality to its general funds.
Limiting shifts in taxation	(3) For the purposes of limiting shifts in taxation caused by a change in the resource equalization grant formula as prescribed in subsection 1, the Lieutenant Governor in Council may, by regulation, provide for the payment of grants on such terms and

SECTIONS 5 and 6 (1). See the Note to section 1 of the Bill.

SECTION 6.—Subsection 2. Subsection 5 of section 7 of the Act is set out below showing underlined the words affected by the amendment:

- (5) *Notwithstanding subsection 2, except where there has been a different assessment generally of real property in an area municipality under section 86 of The Assessment Act, the net regional levy and the net lower tier levy charged against the whole rateable property of an area municipality shall be apportioned among the merged areas of such area municipality in the proportion that the total equalized assessment of each merged area bears to the total equalized assessment of the area municipality both according to the last revised assessment roll as equalized by the Ministry of Revenue.*

The effect is to require the apportionment among merged areas to be based on the 1979 equalization factors rather than by applying the new factors as they are determined from year to year.

SECTION 7. Section 9 of the Act reads as follows:

- 9.—(1) *In each year there shall be paid a resource equalization grant in respect of each lower tier municipality whose equalized assessment per capita in the preceding year is below such standard equalized assessment per capita as may be prescribed, and the amount of the grant shall be based, in the manner prescribed, on the proportion that 60 per cent of such deficiency of equalized assessment per capita bears to the prescribed standard equalized assessment per capita as applied to the net levy of the lower tier municipality.*
- (2) *A grant payable under subsection 1 shall be paid to the lower tier municipality in respect of which it was determined and to the upper tier municipality within which that lower tier municipality is situate in the proportions prescribed, and the portion of the grant payable to the upper tier municipality in that year shall be deducted from the requisition or levy of that upper tier municipality upon that lower tier municipality in that year and the net amount shall be included in the levy of the lower tier municipality for purposes of section 302 of The Municipal Act and section 7 of this Act in that year.*

The re-enacted subsection 1 differs from the current provision by providing for the equalized assessment per capita of a lower tier municipality to be determined in the manner prescribed by regulations and by permitting limits on the amount of resource equalization grants to be prescribed. The re-enacted subsection 2 directs that the portion of a resource equalization grant paid to an upper tier municipality be credited to its general funds rather than, as is now the case, deducted from the levy of the upper tier municipality upon the lower tier municipality in respect of which the grant was determined. Subsections 3, 4 and 5 are new: subsection 3 provides for the payment of grants to lower and upper tier municipalities that would otherwise experience increases in taxation by reason of the revised resource equalization grant formula. Subsections 4 and 5 impose the reporting duties set out therein on clerks of lower tier municipalities that receive an equalization grant.

SECTION 8. Section 10 of the Act now requires that for apportionment purposes the equalized assessment of a lower tier municipality be increased by an amount which would have produced the resource equalization grant entitlement for the current year by the taxation of real property using the commercial mill rate. As re-enacted, it will be only for the purpose of apportioning amounts required for a district home for the aged or a district welfare administration board that the equalized assessment will be so increased.

SECTION 9. The new section 11 of the Act authorizes the Lieutenant Governor in Council to provide, by regulation, for an alternative basis on which apportionments, levies and requisitions be made by the councils of upper and lower tier municipalities in order to reduce shifts in taxation resulting from a new determination of equalized assessment under section 71 of *The Assessment Act* and to provide for the payment of grants for the same purpose of limiting shifts in taxation resulting either from a new determination of equalized assessment or by a change in the apportionment formula. Such powers now are generally conferred on the Lieutenant Governor in Council only in respect of the 1980 taxation year.

conditions as set out in the regulation to lower tier municipalities and to upper tier municipalities which would otherwise experience increases in taxation by reason of a revised resource equalization grant formula.

(4) In each year, the clerk of every lower tier municipality that will receive a resource equalization grant in the current year shall provide, on or before the 15th day of March, to the upper tier municipality, a statement of the total estimated resource equalization grant for the current year with a determination of the estimated entitlement payable to the upper tier municipality.

Notification
by clerk

(5) The clerk of every lower tier municipality upon receiving notice from the Ministry of the amount of resource equalization grant shall provide to the upper tier municipality a statement of the total grant and the portion payable to the upper tier municipality.

Idem

8. Subsection 1 of section 10 of the said Act, as amended by the Statutes of Ontario, 1979, chapter 111, section 3, is repealed and the following substituted therefor:

s. 10 (1),
re-enacted

(1) For the purposes of apportioning the amounts required for a district home established under *The Homes for the Aged and Rest Homes Act* or a district welfare administration board, established under *The District Welfare Administration Boards Act*, the equalized assessment of a lower tier municipality shall be increased by an amount that would have produced the amount of the resource equalization grant entitlement in the preceding year by the taxation of real property at the rate determined by dividing the total taxes levied for all purposes, other than school purposes, on commercial assessment in the preceding year, by the total equalized commercial assessment for the preceding year, times 1,000.

Where
equalized
assessment
of lower tier
municipality
to be
increased
R.S.O. 1970,
cc. 206, 132

9. The said Act is amended by adding thereto the following section:

s. 11,
enacted

11.—(1) Notwithstanding the provisions of any general or special Act, for purposes of limiting shifts in taxation caused by a change in equalization factors resulting from a new determination under section 71 of *The Assessment Act*, the Lieutenant Governor in Council may, each year by regulation, prescribe an alternative basis on which apportionments, levies and requisitions are to be made by the councils of upper and lower tier municipalities and by any local board, or class thereof, as are specified in the regulation, and the regulation may be retrospective in effect.

Alternative
basis on
which
apportion-
ments,
etc., made
R.S.O. 1970,
c. 32

(2) For purposes of limiting shifts in taxation caused by change in the apportionment formula as prescribed in subsection

Limiting
shifts
in taxation

1, or caused by change in equalization factors resulting from a new determination under section 71 of *The Assessment Act*, the Lieutenant Governor in Council may in each year by regulation provide for the payments of grants on such terms and conditions as are set out in the regulation, to lower tier municipalities and to upper tier municipalities which would otherwise experience increases in taxation by reason of a revised apportionment formula or change in their equalization factor, and the regulation may be retrospective in effect.

Moneys

(3) The moneys required for the purposes of subsection 2 shall be paid out of the moneys appropriated therefor by the Legislature.

Commence-
ment

10. This Act shall be deemed to have come into force on the 31st day of January, 1981.

Short title

11. The short title of this Act is *The Ontario Unconditional Grants Amendment Act, 1981*.

Bill 9

An Act to amend
The Ontario Unconditional
Grants Act, 1975

1st Reading

May 15th, 1981

2nd Reading

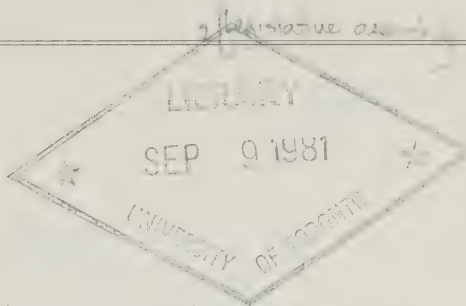
3rd Reading

THE HON. T. L. WELLS
Minister of Intergovernmental Affairs

(Government Bill)

BILL 69

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981



An Act to amend
The Ontario Unconditional Grants Act, 1975

THE HON. T. L. WELLS
Minister of Intergovernmental Affairs

TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

BILL 69

1981

An Act to amend The Ontario Unconditional Grants Act, 1975

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Clause *c* of subsection 1 of section 1 of *The Ontario Unconditional Grants Act, 1975*, being chapter 7, is amended by striking out “revised” in the fifteenth line and inserting in lieu thereof “returned”. s. 1 (1) (c),
amended

2. Paragraphs 3 and 4 of section 3 of the said Act, as re-enacted by the Statutes of Ontario, 1977, chapter 7, section 1, are repealed and the following substituted therefor: s. 3,
pars. 3, 4,
re-enacted
 3. \$17 per capita where a regional municipality is deemed to be a city for the purposes of *The Police Act*. R.S.O. 1970,
c. 351

 4. \$12 per capita based on the population of each area municipality providing its own law enforcement by maintaining its own police force or being under contract for the policing of the municipality by the Ontario Provincial Police Force in accordance with *The Police Act*.

3. Clauses *c* and *d* of section 4 of the said Act, as re-enacted by the Statutes of Ontario, 1977, chapter 7, section 1, are repealed and the following substituted therefor: s. 4 (c, d),
re-enacted
 - (c) \$17 where a regional municipality is deemed to be a city for the purposes of *The Police Act*; or R.S.O. 1970,
c. 351

 - (d) \$12 in relation to each area municipality to which paragraph 4 of section 3 applies.

4. Subsection 3 of section 5 of the said Act, as re-enacted by the Statutes of Ontario, 1977, chapter 7, section 2, is repealed and the following substituted therefor: s. 5 (3),
re-enacted

Idem

(3) In each year, payments of \$12 per capita shall be made to each municipality providing its own law enforcement by maintaining its own police force, or being under contract for the policing of the municipality by the Ontario Provincial Police Force in accordance with *The Police Act*.

R.S.O. 1970,
c. 351

s. 6a,
amended

5. Section 6a of the said Act, as enacted by the Statutes of Ontario, 1980, chapter 75, section 2, is amended by striking out "revised" in the seventh line and inserting in lieu thereof "returned".

s. 7 (1) (e),
amended

6.—(1) Clause e of subsection 1 of section 7 of the said Act is amended by striking out "revised" in the third line and inserting in lieu thereof "returned".

s. 7 (5),
amended

(2) Subsection 5 of the said section 7, as re-enacted by the Statutes of Ontario, 1979, chapter 10, section 1, is amended by striking out "revised assessment roll as equalized by the Ministry of Revenue" in the tenth and eleventh lines and inserting in lieu thereof "returned assessment roll as equalized in accordance with the factor by which the last revised assessment roll of the lower tier municipality was equalized for apportionment purposes in the year 1979".

s. 9,
re-enacted

7. Section 9 of the said Act, as re-enacted by the Statutes of Ontario, 1979, chapter 111, section 1, is repealed and the following substituted therefor:

Resource
equalization
grants

9.—(1) In each year there shall be paid a resource equalization grant in respect of each lower tier municipality whose equalized assessment per capita in the preceding year as is determined in the prescribed manner is below such standard equalized assessment per capita as may be prescribed, and the amount of the grant shall be based, in the manner and subject to such limits as may be prescribed, on the proportion that 60 per cent of such deficiency of equalized assessment per capita bears to the prescribed standard equalized assessment per capita as applied to the net levy of the lower tier municipality.

Payment
of grants

(2) A grant payable under subsection 1 shall be paid to the lower tier municipality in respect of which it was determined and to the upper tier municipality within which that lower tier municipality is situate, in the proportion prescribed, and the portion of the grant payable to the upper tier municipality in that year shall be credited by the upper tier municipality to its general funds.

Limiting
shifts in
taxation

(3) For the purposes of limiting shifts in taxation caused by a change in the resource equalization grant formula as prescribed in subsection 1, the Lieutenant Governor in Council may, by regulation, provide for the payment of grants on such terms and

conditions as set out in the regulation to lower tier municipalities and to upper tier municipalities which would otherwise experience increases in taxation by reason of a revised resource equalization grant formula.

(4) In each year, the clerk of every lower tier municipality that will receive a resource equalization grant in the current year shall provide, on or before the 15th day of March, to the upper tier municipality, a statement of the total estimated resource equalization grant for the current year with a determination of the estimated entitlement payable to the upper tier municipality.

Notification
by clerk

(5) The clerk of every lower tier municipality upon receiving notice from the Ministry of the amount of resource equalization grant shall provide to the upper tier municipality a statement of the total grant and the portion payable to the upper tier municipality.

Idem

8. Subsection 1 of section 10 of the said Act, as amended by the Statutes of Ontario, 1979, chapter 111, section 3, is repealed and the following substituted therefor:

s. 10 (1),
re-enacted

(1) For the purposes of apportioning the amounts required for a district home established under *The Homes for the Aged and Rest Homes Act* or a district welfare administration board, established under *The District Welfare Administration Boards Act*, the equalized assessment of a lower tier municipality shall be increased by an amount that would have produced the amount of the resource equalization grant entitlement in the preceding year by the taxation of real property at the rate determined by dividing the total taxes levied for all purposes, other than school purposes, on commercial assessment in the preceding year, by the total equalized commercial assessment for the preceding year, times 1,000.

Where
equalized
assessment
of lower tier
municipality
to be
increased
R.S.O. 1970,
cc. 206, 132

9. The said Act is amended by adding thereto the following section:

s. 11,
enacted

11.—(1) Notwithstanding the provisions of any general or special Act, for purposes of limiting shifts in taxation caused by a change in equalization factors resulting from a new determination under section 71 of *The Assessment Act*, the Lieutenant Governor in Council may, each year by regulation, prescribe an alternative basis on which apportionments, levies and requisitions are to be made by the councils of upper and lower tier municipalities and by any local board, or class thereof, as are specified in the regulation, and the regulation may be retrospective in effect.

Alternative
basis on
which
apportion-
ments,
etc., made
R.S.O. 1970,
c. 32

(2) For purposes of limiting shifts in taxation caused by change in the apportionment formula as prescribed in subsection

Limiting
shifts
in taxation

1, or caused by change in equalization factors resulting from a new determination under section 71 of *The Assessment Act*, the Lieutenant Governor in Council may in each year by regulation provide for the payments of grants on such terms and conditions as are set out in the regulation, to lower tier municipalities and to upper tier municipalities which would otherwise experience increases in taxation by reason of a revised apportionment formula or change in their equalization factor, and the regulation may be retrospective in effect.

Moneys

(3) The moneys required for the purposes of subsection 2 shall be paid out of the moneys appropriated therefor by the Legislature.

Commence-
ment

10. This Act shall be deemed to have come into force on the 31st day of January, 1981.

Short title

11. The short title of this Act is *The Ontario Unconditional Grants Amendment Act, 1981*.

BILL 69

An Act to amend
The Ontario Unconditional
Grants Act, 1975

1st Reading

May 15th, 1981

2nd Reading

June 12th, 1981

3rd Reading

June 26th, 1981

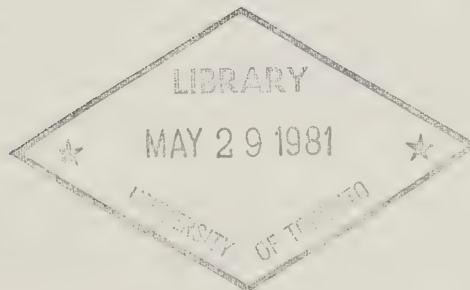
THE HON. T. L. WELLS
Minister of Intergovernmental Affairs

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

LEGISLATIVE COUNCIL
2

**An Act to authorize the Raising of Money
on the Credit of the Consolidated Revenue Fund**

THE HON. F. S. MILLER
Treasurer of Ontario and Minister of Economics



EXPLANATORY NOTE

The purpose of the Bill is to provide authority for borrowing moneys for the Consolidated Revenue Fund. The principal borrowings authorized under *The Ontario Loan Act* in recent years have been:

1. Borrowings from the Canada Pension Plan
2. The Ontario Treasury Bill program
3. CMHC Waste Control Loans
4. Federal-Provincial-Municipal Loan programs.

The amount of \$1.9 billion authorized by the Bill is intended to cover the following estimated borrowing requirements:

1. Canada Pension Plan borrowings
2. CMHC Waste Control loans
3. Teachers' Superannuation Fund borrowings.

The Bill provides that any unused borrowing authority will expire on September 30, 1982.

BILL 70

1981

An Act to authorize the Raising of Money on the Credit of the Consolidated Revenue Fund

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1.—(1) The Lieutenant Governor in Council is hereby authorized to raise from time to time by way of loan in any manner provided by *The Financial Administration Act* such sum or sums of money as are considered necessary for discharging any indebtedness or obligation of Ontario, for making any payments authorized or required by any Act to be made out of the Consolidated Revenue Fund or for reimbursing the Consolidated Revenue Fund for any moneys expended for any of such purposes, provided that the principal amount of any securities issued and temporary loans raised under the authority of this Act shall not exceed in the aggregate \$1,900,000,000.

Loans up to
\$1,900,000,000

R.S.O. 1970
c. 166

(2) The sum of money authorized to be raised by subsection 1 for the purposes mentioned therein shall include the principal amounts of Province of Ontario debentures issued to the Teachers' Superannuation Fund under authority of *The Teachers' Superannuation Act* and to the Ontario Municipal Employees Retirement Fund under authority of *The Ontario Municipal Employees Retirement System Act*, but shall be in addition to all sums of money authorized to be raised by way of loan under any other Act.

Idem

R.S.O. 1970,
cc. 455, 324

2. No money shall be raised by way of loan under subsection 1 of section 1 except to the extent authorized by order of the Lieutenant Governor in Council made prior to the 30th day of September, 1982.

Limitation

3. This Act comes into force on the day it receives Royal Assent.

Commence-
ment

4. The short title of this Act is *The Ontario Loan Act, 1981*.

Short title

BILL 70

An Act to authorize the
Raising of Money on the Credit of
the Consolidated Revenue Fund

1st Reading

May 19th, 1981

2nd Reading

3rd Reading

THE HON. F. S. MILLER
Treasurer of Ontario and
Minister of Economics

(Government Bill)

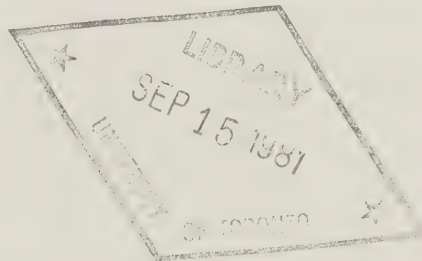
29N
056

BILL 70

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to authorize the Raising of Money
on the Credit of the Consolidated Revenue Fund

THE HON. F. S. MILLER
Treasurer of Ontario and Minister of Economics



BILL 70

1981

An Act to authorize the Raising of Money on the Credit of the Consolidated Revenue Fund

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1.—(1) The Lieutenant Governor in Council is hereby authorized to raise from time to time by way of loan in any manner provided by *The Financial Administration Act* such sum or sums of money as are considered necessary for discharging any indebtedness or obligation of Ontario, for making any payments authorized or required by any Act to be made out of the Consolidated Revenue Fund or for reimbursing the Consolidated Revenue Fund for any moneys expended for any of such purposes, provided that the principal amount of any securities issued and temporary loans raised under the authority of this Act shall not exceed in the aggregate \$1,900,000,000.

Loans up to
\$1,900,000,000
R.S.O. 1970
c. 166

(2) The sum of money authorized to be raised by subsection 1 for the purposes mentioned therein shall include the principal amounts of Province of Ontario debentures issued to the Teachers' Superannuation Fund under authority of *The Teachers' Superannuation Act* and to the Ontario Municipal Employees Retirement Fund under authority of *The Ontario Municipal Employees Retirement System Act*, but shall be in addition to all sums of money authorized to be raised by way of loan under any other Act.

Idem
R.S.O. 1970,
cc. 455, 324

2. No money shall be raised by way of loan under subsection 1 of section 1 except to the extent authorized by order of the Lieutenant Governor in Council made prior to the 30th day of September, 1982.

Limitation

3. This Act comes into force on the day it receives Royal Assent.

Commence-
ment

4. The short title of this Act is *The Ontario Loan Act, 1981*.

Short title

An Act to authorize the
Raising of Money on the Credit of
the Consolidated Revenue Fund

1st Reading

May 19th, 1981

2nd Reading

June 19th, 1981

3rd Reading

June 26th, 1981

THE HON. F. S. MILLER
Treasurer of Ontario and
Minister of Economics

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

**An Act to amend
The Small Business Development Corporations Act, 1979**

THE HON. F. S. MILLER
Treasurer of Ontario and Minister of Economics



EXPLANATORY NOTE

The purpose of the Bill is to further assist in the formation and operation of small business development corporations; to broaden and increase the participation by investors in them; and to implement the changes proposed by the Treasurer of Ontario in his Budget Statement. The following are the principal changes:

1. The maximum equity capital of a small business development corporation that is offering its equity shares to the public will be increased from \$5,000,000 to \$10,000,000. There will be no change in the maximum equity capital of a small business development corporation that is not offering its equity shares to the public. (Sections 1, 2 and 3 (1)).
2. The aggregate of eligible investments made by a small business development corporation in any small business will be limited to not more than \$5,000,000. This is a complementary amendment to the increase in the maximum equity capital. (Section 4).
3. The aggregate of eligible investments made by two or more small business development corporations in any small business will be limited to not more than 60 per cent of the equity shares of the small business. (Sections 4 (3) and 5 (2)).
4. At present, a small business is precluded from using the investment funds provided by a small business development corporation for the purpose of relending, investment in land unless necessary for the objects of the small business, or reinvestment outside Canada. The Bill proposes that a small business also be precluded from using such investment funds to purchase securities of any other corporation. In addition, the Lieutenant Governor in Council will be empowered to prescribe other prohibited uses of investment funds. (Section 4 (2)).
5. The Act now provides that where a small business development corporation purchases or redeems equity shares, the investment is an eligible investment only to the extent that it represents net new equity capital. The Bill will remove the reference to "equity" shares to ensure that a purchase or redemption of any shares will be an eligible investment only to the extent that it represents net new equity capital. (Section 4 (1)).
6. The requirement that a small business development corporation notify the Minister prior to the payment of a dividend on its equity shares will be removed. However, a small business development corporation will be required to notify the Minister prior to a proposed amendment of its articles of incorporation. (Section 6).
7. The Bill also clarifies the present provision concerning investments by a small business development corporation in a small business. Such investments will be prohibited only where there is an association between the investing small business development corporation and the small business. (Section 5 (1)).
8. The Bill will require that the funding of a small business development corporation be independent of the small business and its shareholders, associates and affiliates. (Section 5 (2)).

BILL 71

1981

**An Act to amend
The Small Business Development Corporations Act,
1979**

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 1 of *The Small Business Development Corporations Act*, ^{s. 1, amended} 1979, being chapter 22, as amended by the Statutes of Ontario, 1980, chapter 21, section 1, is further amended by adding thereto the following subsection:

(9) For the purposes of this Act, a corporation is offering its equity shares to the public only where, ^{Offering equity shares to public}

- (a) in respect of any of its equity shares a prospectus has been filed under *The Securities Act, 1978* or any predecessor thereof so long as any of such equity shares are outstanding; or ^{1978, c. 47}
- (b) any of its equity shares have been at any time since the 20th day of May, 1981, listed and posted for trading on any stock exchange in Ontario recognized by the Ontario Securities Commission regardless of when such listing and posting for trading commenced,

except that where, upon the application of a corporation that has fewer than fifteen holders of equity shares, the Commission is satisfied, in its discretion, that to do so would not be prejudicial to the public interest, the Commission may order, subject to such terms and conditions as it may impose, that the corporation shall be deemed to have ceased to be offering its equity shares to the public.

2. Clause c of section 4 of the said Act, as amended by the Statutes of Ontario, 1980, chapter 21, section 2, is repealed and the following substituted therefor: ^{s. 4 (c), re-enacted}

(c) its equity shares are without par value and may be issued for an aggregate consideration of not less than \$100,000 and not more than,

(i) \$5,000,000 in the case of a corporation that is not offering its equity shares to the public, and

(ii) \$10,000,000 in the case of a corporation that is offering its equity shares to the public.

s. 7 (4),
amended

3.—(1) Subsection 4 of section 7 of the said Act, as amended by the Statutes of Ontario, 1980, chapter 21, section 3, is further amended by inserting after “\$5,000,000” in the fourth line “if the corporation is not offering its equity shares to the public and not more than \$10,000,000 if the corporation is offering its equity shares to the public”.

s. 7,
amended

(2) The said section 7, as amended by the Statutes of Ontario, 1980, chapter 21, section 3, is further amended by adding thereto the following subsection:

Idem

(5) A small business development corporation shall not maintain more than \$5,000,000 of its equity capital in any single small business.

s. 9 (1) (c),
amended

4.—(1) Clause *c* of subsection 1 of section 9 of the said Act is amended by striking out “equity” in the seventh line.

s. 9 (1) (d),
amended

(2) Clause *d* of subsection 1 of the said section 9 is amended by striking out “or” at the end of subclause ii and by adding thereto the following subclauses:

(iv) purchasing or acquiring the securities of any person, or

(v) investment for any prescribed purpose or object.

s. 9 (1),
amended

(3) Subsection 1 of the said section 9, as amended by the Statutes of Ontario, 1980, chapter 21, section 5, is further amended by adding thereto the following clauses:

(*ea*) the aggregate of eligible investments made by two or more small business development corporations in a small business does not exceed 60 per cent, determined in accordance with subsection 2, of the issued and outstanding equity shares of the small business;

(*eb*) the aggregate of eligible investments made by the small business development corporation in any small business does not exceed \$5,000,000.

- (4) Subsection 2 of the said section 9, as amended by the Statutes of Ontario, 1980, chapter 21, section 5, is further amended by inserting after "clause *e*" in the third line "or *ea*". s. 9 (2),
amended

- 5.—(1) Subclause ii of clause *a* of subsection 1 of section 12 of the said Act is repealed and the following substituted therefor: s. 12 (1) (a) (ii),
re-enacted

- (ii) an officer or director or an associate thereof of a small business development corporation that proposes to invest or has invested in such small business or an officer or director or an associate thereof of a major shareholder of such small business development corporation, or

.

- (2) Subsection 1 of the said section 12 is amended by adding "or" at the end of clause *b* and by adding thereto the following clauses: s. 12 (1),
amended

- (c) such small business or an associate or affiliated corporation of such small business or a shareholder of such small business or an associate or affiliated corporation of such shareholder, directly or indirectly provides, by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of, or in connection with the purchase of shares of the small business development corporation; or

- (d) the aggregate of eligible investments made by two or more small business development corporations in a small business will exceed 60 per cent of the issued and outstanding equity shares of the small business.

6. Clause *a* of subsection 2 of section 17 of the said Act is repealed and the following substituted therefor: s. 17 (2) (a),
re-enacted

- (a) the proposed amendment of its articles of incorporation.

7. This Act shall be deemed to have come into force on the 20th day of May, 1981. Commence-
ment

8. The short title of this Act is *The Small Business Development Corporations Amendment Act, 1981*. Short title

An Act to amend
The Small Business Development
Corporations Act, 1979

1st Reading

May 19th, 1981

2nd Reading

3rd Reading

THE HON. F. S. MILLER
Treasurer of Ontario and
Minister of Economics

(Government Bill)

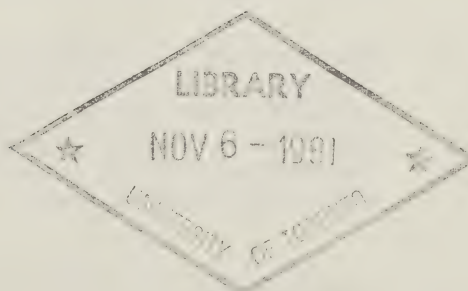
20N
56
BILL 71

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

LEGISLATIVE ASSEMBLY

An Act to amend
the Small Business Development Corporations Act

THE HON. F. S. MILLER
Treasurer of Ontario and Minister of Economics



BILL 71

1981

**An Act to amend
the Small Business Development Corporations Act**

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 1 of the *Small Business Development Corporations Act*, being chapter 475 of the Revised Statutes of Ontario, 1980, is amended by adding thereto the following subsection: s. 1,
amended

(9) For the purposes of this Act, a corporation is offering its equity shares to the public only where, Offering
equity shares
to public

- (a) in respect of any of its equity shares a prospectus has been filed under the *Securities Act* or any predecessor thereof so long as any of such equity shares are outstanding; or R.S.O. 1980,
c. 466
- (b) any of its equity shares have been at any time since the 20th day of May, 1981, listed and posted for trading on any stock exchange in Ontario recognized by the Ontario Securities Commission regardless of when such listing and posting for trading commenced,

except that where, upon the application of a corporation that has fewer than fifteen holders of equity shares, the Commission is satisfied, in its discretion, that to do so would not be prejudicial to the public interest, the Commission may order, subject to such terms and conditions as it may impose, that the corporation shall be deemed to have ceased to be offering its equity shares to the public.

2. Clause 4 (c) of the said Act is repealed and the following substituted therefor: s. 4 (c),
re-enacted

- (c) its equity shares are without par value and may be issued for an aggregate consideration of not less than \$100,000 and not more than,

(i) \$5,000,000 in the case of a corporation that is not offering its equity shares to the public, and

(ii) \$10,000,000 in the case of a corporation that is offering its equity shares to the public.

s. 7 (4),
amended

3.—(1) Subsection 7 (4) of the said Act is amended by inserting after “\$5,000,000” in the fourth line “if the corporation is not offering its equity shares to the public and not more than \$10,000,000 if the corporation is offering its equity shares to the public”.

s. 7,
amended

(2) Section 7 of the said Act is amended by adding thereto the following subsection:

Idem

(5) A small business development corporation shall not maintain more than \$5,000,000 of its equity capital in any single small business.

s. 9 (1) (c),
amended

4.—(1) Clause 9 (1) (c) of the said Act is amended by striking out “equity” in the seventh line.

s. 9 (1) (d),
amended

(2) Clause 9 (1) (d) of the said Act is amended by striking out “or” at the end of subclause (ii) and by adding thereto the following subclauses:

(iv) purchasing or acquiring the securities of any person, or

(v) investment for any prescribed purpose or object.

s. 9 (1),
amended

(3) Subsection 9 (1) of the said Act is amended by adding thereto the following clauses:

(ea) the aggregate of eligible investments made by two or more small business development corporations in a small business does not exceed 60 per cent, determined in accordance with subsection (2), of the issued and outstanding equity shares of the small business;

(eb) the aggregate of eligible investments made by the small business development corporation in any small business does not exceed \$5,000,000.

s. 9 (2),
amended

(4) Subsection 9 (2) of the said Act is amended by inserting after “(e)” in the third line “or (ea)”.

s. 12 (1) (a) (ii),
re-enacted

5.—(1) Subclause 12 (1) (a) (ii) of the said Act is repealed and the following substituted therefor:

- (ii) an officer or director or an associate thereof of a small business development corporation that proposes to invest or has invested in such small business or an officer or director or an associate thereof of a major shareholder of such small business development corporation, or

(2) Subsection 12 (1) of the said Act is amended by adding "or" at the end of clause (b) and by adding thereto the following clauses: s. 12 (1),
amended

(c) such small business or an associate or affiliated corporation of such small business or a shareholder of such small business or an associate or affiliated corporation of such shareholder, directly or indirectly provides, by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of, or in connection with the purchase of shares of the small business development corporation; or

(d) the aggregate of eligible investments made by two or more small business development corporations in a small business will exceed 60 per cent of the issued and outstanding equity shares of the small business.

6. Clause 17 (2) (a) of the said Act is repealed and the following substituted therefor: s. 17 (2) (a),
re-enacted

(a) the proposed amendment of its articles of incorporation.

7. This Act shall be deemed to have come into force on the 20th day of May, 1981. Commence-
ment

8. The short title of this Act is the *Small Business Development Corporations Amendment Act, 1981*. Short title



An Act to amend
the Small Business Development
Corporations Act

1st Reading

May 19th, 1981

2nd Reading

October 19th, 1981

3rd Reading

October 19th, 1981

THE HON. F. S. MULLER
Treasurer of Ontario and
Minister of Economics

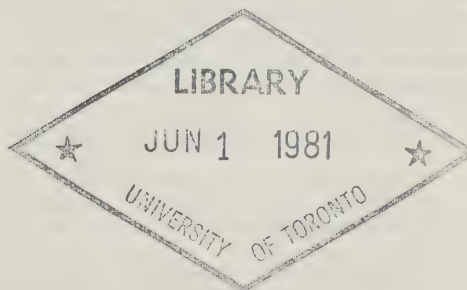
BILL 72

Government Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend The Gasoline Tax Act, 1973

THE HON. G. L. ASHE
Minister of Revenue



EXPLANATORY NOTES

GENERAL

The Bill implements the proposals in the Treasurer's Budget that the tax on gasoline be established as a percentage of the retail prices of each grade or type of gasoline, as determined by the Minister of Revenue after periodic sampling of retail prices from time to time paid by consumers. The Bill makes provision for the Minister to alter the price on which the tax is based so that increases and decreases in retail prices can be reflected by a corresponding change in the tax payable. Until the new procedure is implemented, the Bill provides for specific increases in the tax payable on gasoline. The tax on regular leaded gasoline is increased from 4.6 cents to 5.4 cents per litre. The tax on regular unleaded gasoline is increased from 4.6 cents to 5.8 cents per litre, and the tax on premium leaded and unleaded gasoline is increased from 4.6 cents to 6 cents per litre.

The tax to be paid on aviation fuel will be determined as a function of the taxable price per litre of fuel for the purposes of *The Motor Vehicle Fuel Tax Act*. Accordingly, aviation fuel will be taxed at the rate of 5.13 per cent of the taxable price per litre of fuel from time to time determined under *The Motor Vehicle Fuel Tax Act*. Effectively, aviation fuel will be taxed at 19 per cent of the tax payable from time to time on diesel fuel used to propel motor vehicles. Until a taxable price for diesel fuel is prescribed, the Bill provides that the rate of tax on aviation fuel will remain at 1.32 cents per litre.

SECTION 1. The amendment adds a definition of "taxable price per litre" for designated grades or types of gasoline. The taxable price for various grades of gasoline is to be determined by the Minister by periodic sampling of prevailing retail prices, and the taxable prices so determined will be the prices to which the rate of tax applicable to the taxable prices of the various grades of gasoline will apply.

SECTION 2. The section provides that tax will be paid on the taxable prices of designated grades of gasoline at the rate of 20 per cent of the taxable price determined for each grade from time to time by the Minister. Until taxable prices for the various grades of gasoline are determined by the Minister, the amendment provides for specific taxes of 5.4 cents per litre for regular leaded gasoline, 5.8 cents per litre for regular unleaded gasoline and 6 cents per litre for premium leaded or unleaded gasoline.

In the case of aviation fuel, the amendment provides that the rate of tax will be 5.13 per cent of the taxable price per litre of diesel fuel from time to time prescribed by the Minister for the purposes of *The Motor Vehicle Fuel Tax Act*. The tax on aviation fuel will therefore be 19 per cent of the tax from time to time payable on diesel fuel used to propel motor vehicles. Until the taxable price for diesel fuel is prescribed, the tax on aviation fuel will remain at 1.32 cents per litre.

Subsections 1 and 2 of section 2 of the Act now read:

- (1) *Every purchaser of gasoline shall pay to the Treasurer a tax at the rate of 4.6 cents per litre on all gasoline purchased, or delivery of which is received, by him.*
- (2) *Every purchaser of aviation fuel shall pay to the Treasurer a tax at the rate of 1.32 cents per litre on all aviation fuel purchased, or delivery of which is received, by him.*

The new subsection 2a to be added by the amendment provides that the tax imposed by the Act will remain the same whether or not the gasoline or aviation fuel is sold for more or less than the taxable price per litre determined by the Minister.

BILL 72

1981

An Act to amend The Gasoline Tax Act, 1973

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 1 of *The Gasoline Tax Act, 1973*, being chapter 99, as amended by the Statutes of Ontario, 1980, chapter 24, section 1, is further amended by adding thereto the following clause:

(ja) "taxable price per litre" of any grade or type of gasoline designated by the Minister means the price per litre from time to time prescribed by the Minister as the taxable price per litre of that grade or type of gasoline for such period of time as the Minister may prescribe, and in determining the taxable price per litre of any grade or type of gasoline, the Minister shall use the median price obtained by him from such periodic sampling as he considers appropriate of the retail prices (excluding the tax imposed by this Act) of gasoline in such part or parts of Ontario as he shall direct a sample to be taken, provided that no change in the taxable price per litre of gasoline from time to time in effect shall come into force until at least two days after the filing of a regulation prescribing a different taxable price per litre of any grade or type of gasoline.

2. Subsections 1 and 2 of section 2 of the said Act, as re-enacted by the Statutes of Ontario, 1979, chapter 16, section 1, are repealed and the following substituted therefor:

(1) Every purchaser of gasoline shall, for all gasoline purchased, or delivery of which is received, by him, pay to the Treasurer a tax at the rate of 20 per cent of the taxable price per litre applicable to the grade or type of gasoline so purchased or delivered, and until a taxable price per litre is prescribed by the Minister in accordance with this Act, every purchaser of gasoline shall pay to the Treasurer a tax at the rate of,

(a) 5.4 cents per litre of regular leaded gasoline;

s. 1,
amended

s. 2 (1, 2),
re-enacted

Tax payable
by purchaser
of gasoline

(b) 5.8 cents per litre of regular unleaded gasoline; and

(c) 6 cents per litre of premium leaded or unleaded gasoline,

purchased, or delivery of which is received, by him.

Tax on
aviation fuel

(2) Every purchaser of aviation fuel shall, for all aviation fuel purchased, or delivery of which is received, by him, pay to the Treasurer a tax at the rate of 5.13 per cent of the taxable price per litre of fuel from time to time prescribed for the purposes of *The Motor Vehicle Fuel Tax Act*, and until a taxable price per litre of fuel is prescribed by the Minister in accordance with *The Motor Vehicle Fuel Tax Act*, every purchaser of aviation fuel shall pay to the Treasurer a tax at the rate of 1.32 cents per litre of aviation fuel purchased, or delivery of which is received, by him.

R.S.O. 1970,
c. 282

Idem

(2a) The tax imposed by this Act shall not be increased or reduced by reason of the fact that the price or consideration paid or given by a purchaser for gasoline or aviation fuel is different from the taxable price per litre of that gasoline or aviation fuel.

s. 31 (*d, h, k*),
repealed

3.—(1) Clauses *d, h* and *k* of section 31 of the said Act are repealed.

s. 31,
amended

(2) The said section 31, as amended by the Statutes of Ontario, 1979, chapter 16, section 3, is further amended by adding thereto the following subsections:

Idem

(2) The Minister may make regulations,

(a) prescribing any form that is required by this Act or the regulations or that, in his opinion, will assist in the administration of this Act, and prescribing how and by whom any form shall be completed and what information it shall contain;

(b) prescribing the returns and statements to be made by importers, manufacturers, wholesalers, retailers and purchasers of gasoline or aviation fuel, the information to be given in such returns and statements and by whom and in what manner they shall be made, and prescribing the records to be kept by such persons;

(c) providing for the refund of the tax paid under this Act or any portion thereof, to any purchaser or class of purchasers, and prescribing the records and material to be furnished upon any application for a refund;

(d) prescribing the taxable price per litre of gasoline to be in effect from time to time, the period of time for which

SECTION 3. The amendments transfer from the Lieutenant Governor in Council to the Minister the power to make regulations described in clauses *a*, *b* and *c* of the new subsection 2 to be added by the amendment. Clauses *d*, *e* and *f* of the new subsection are added as a consequence of the amendment made in section 1 of the Bill.

The amendment also adds subsection 3 to section 31 to provide in this statute, as in most of the statutes administered by the Minister of Revenue, the power to make retroactive regulations where necessary.

such price shall be in effect, and designating grades or types of gasoline and the taxable price per litre applicable to any such grade or type;

(e) fixing to the nearest tenth of a cent the tax per litre of gasoline to be paid under this Act as a result of the prescribing from time to time of a taxable price per litre of gasoline in accordance with clause *d*;

(f) fixing to the nearest hundredth of a cent the tax per litre of aviation fuel to be paid under this Act as a result of the prescribing from time to time of a taxable price per litre of fuel in accordance with clause *b* of subsection 3 of section 21 of *The Motor Vehicle Fuel Tax Act*.

R.S.O. 1970,
c. 282

(3) A regulation, other than a regulation prescribing the taxable price per litre of any grade or type of gasoline, is, if it so provides, effective with reference to a period before it was filed.

Retroactivity

4. This Act shall be deemed to have come into force on the 20th day of May, 1981.

Commence-
ment

5. The short title of this Act is *The Gasoline Tax Amendment Act*, 1981.

Short title

BILL 72

An Act to amend
The Gasoline Tax Act, 1973

1st Reading

May 19th, 1981

2nd Reading

3rd Reading

THE HON. G. L. ASHE
Minister of Revenue

(Government Bill)

7/N
56
BILL 72

ONTARIO LEGISLATIVE ASSEMBLY 3

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend The Gasoline Tax Act, 1973

THE HON. G. L. ASHE
Minister of Revenue

SEP 17 1981

TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

BILL 72

1981

An Act to amend The Gasoline Tax Act, 1973

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 1 of *The Gasoline Tax Act, 1973*, being chapter 99, as amended by the Statutes of Ontario, 1980, chapter 24, section 1, is further amended by adding thereto the following clause: ^{s. 1, amended}

(ja) "taxable price per litre" of any grade or type of gasoline designated by the Minister means the price per litre from time to time prescribed by the Minister as the taxable price per litre of that grade or type of gasoline for such period of time as the Minister may prescribe, and in determining the taxable price per litre of any grade or type of gasoline, the Minister shall use the median price obtained by him from such periodic sampling as he considers appropriate of the retail prices (excluding the tax imposed by this Act) of gasoline in such part or parts of Ontario as he shall direct a sample to be taken, provided that no change in the taxable price per litre of gasoline from time to time in effect shall come into force until at least two days after the filing of a regulation prescribing a different taxable price per litre of any grade or type of gasoline.

2. Subsections 1 and 2 of section 2 of the said Act, as re-enacted by the Statutes of Ontario, 1979, chapter 16, section 1, are repealed and the following substituted therefor: ^{s. 2 (1, 2), re-enacted}

(1) Every purchaser of gasoline shall, for all gasoline purchased, or delivery of which is received, by him, pay to the Treasurer a tax at the rate of 20 per cent of the taxable price per litre applicable to the grade or type of gasoline so purchased or delivered, and until a taxable price per litre is prescribed by the Minister in accordance with this Act, every purchaser of gasoline shall pay to the Treasurer a tax at the rate of, ^{Tax payable by purchaser of gasoline}

(a) 5.4 cents per litre of regular leaded gasoline;

- (b) 5.8 cents per litre of regular unleaded gasoline; and
- (c) 6 cents per litre of premium leaded or unleaded gasoline,

purchased, or delivery of which is received, by him.

Tax on
aviation fuel

R.S.O. 1970,
c. 282

(2) Every purchaser of aviation fuel shall, for all aviation fuel purchased, or delivery of which is received, by him, pay to the Treasurer a tax at the rate of 5.13 per cent of the taxable price per litre of fuel from time to time prescribed for the purposes of *The Motor Vehicle Fuel Tax Act*, and until a taxable price per litre of fuel is prescribed by the Minister in accordance with *The Motor Vehicle Fuel Tax Act*, every purchaser of aviation fuel shall pay to the Treasurer a tax at the rate of 1.32 cents per litre of aviation fuel purchased, or delivery of which is received, by him.

Idem

(2a) The tax imposed by this Act shall not be increased or reduced by reason of the fact that the price or consideration paid or given by a purchaser for gasoline or aviation fuel is different from the taxable price per litre of that gasoline or aviation fuel.

s. 31 (*d, h, k*),
repealed

3.—(1) Clauses *d, h* and *k* of section 31 of the said Act are repealed.

s. 31,
amended

(2) The said section 31, as amended by the Statutes of Ontario, 1979, chapter 16, section 3, is further amended by adding thereto the following subsections:

Idem

(2) The Minister may make regulations,

- (a) prescribing any form that is required by this Act or the regulations or that, in his opinion, will assist in the administration of this Act, and prescribing how and by whom any form shall be completed and what information it shall contain;
- (b) prescribing the returns and statements to be made by importers, manufacturers, wholesalers, retailers and purchasers of gasoline or aviation fuel, the information to be given in such returns and statements and by whom and in what manner they shall be made, and prescribing the records to be kept by such persons;
- (c) providing for the refund of the tax paid under this Act or any portion thereof, to any purchaser or class of purchasers, and prescribing the records and material to be furnished upon any application for a refund;
- (d) prescribing the taxable price per litre of gasoline to be in effect from time to time, the period of time for which

such price shall be in effect, and designating grades or types of gasoline and the taxable price per litre applicable to any such grade or type;

(e) fixing to the nearest tenth of a cent the tax per litre of gasoline to be paid under this Act as a result of the prescribing from time to time of a taxable price per litre of gasoline in accordance with clause *d*;

(f) fixing to the nearest hundredth of a cent the tax per litre of aviation fuel to be paid under this Act as a result of the prescribing from time to time of a taxable price per litre of fuel in accordance with clause *b* of subsection 3 of section 21 of *The Motor Vehicle Fuel Tax Act*.

R.S.O. 1970,
c. 282

(3) A regulation, other than a regulation prescribing the taxable price per litre of any grade or type of gasoline, is, if it so provides, effective with reference to a period before it was filed. Retroactivity

4. This Act shall be deemed to have come into force on the 20th day of May, 1981. Commence-
ment

5. The short title of this Act is *The Gasoline Tax Amendment Act, 1981*. Short title



An Act to amend
The Gasoline Tax Act, 1973

1st Reading

May 19th, 1981

2nd Reading

June 23rd, 1981

3rd Reading

June 26th, 1981

THE HON. G. L. ASHE
Minister of Revenue

BILL 73

Government Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend The Motor Vehicle Fuel Tax Act

THE HON. G. L. ASHE
Minister of Revenue



EXPLANATORY NOTES

GENERAL

The Bill implements the proposals in the Treasurer's Budget that the tax on diesel fuel for motor vehicles and railway equipment be established as a percentage of the retail prices of those products, as determined by the Minister of Revenue after periodic sampling of retail prices from time to time paid by consumers. The Bill makes provision for the Minister to alter the price on which the tax is based so that increases and decreases in retail prices can be reflected by a corresponding change in the tax payable.

Until the new procedure is implemented, the Bill provides for specific increases in the tax payable on diesel fuel other than that used to propel railway equipment. The tax on such fuel is increased from 5.9 cents per litre to 7 cents per litre. The tax on fuel used to propel railway equipment will remain at 2.2 cents per litre until a taxable price per litre is determined in accordance with the new procedure for fuel taxable under the Act, and at that time the tax payable on fuel used to propel railway equipment will vary with changes in the tax payable on diesel fuel to propel motor vehicles.

SECTION 1. The amendment adds a definition of "taxable price per litre" of fuel. This taxable price is to be determined by the Minister by periodic sampling of prevailing retail prices, and the taxable price so determined will be the price to which the rate of tax applicable to diesel fuel will apply.

SECTION 2. The amendment provides that a registrant under the Act may not supply fuel to a person who is not a registrant if the fuel is delivered to a tank wagon of the non-registrant or is delivered to the storage tank of a non-registrant who is acquiring the fuel for resale.

BILL 73

1981

An Act to amend The Motor Vehicle Fuel Tax Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 1 of *The Motor Vehicle Fuel Tax Act*, being chapter 282 of the Revised Statutes of Ontario, 1970, as amended by the Statutes of Ontario, 1972, chapter 14, section 1, 1972, chapter 147, section 1 and 1979, chapter 25, section 1, is further amended by adding thereto the following clause:

(ha) "taxable price per litre" of fuel means the price per litre from time to time prescribed by the Minister as the taxable price per litre of fuel for such period of time as the Minister may prescribe, and in determining the taxable price per litre of fuel, the Minister shall use the median price obtained by him from such periodic sampling as he considers appropriate of the retail prices (excluding the tax imposed by this Act) of fuel in such part or parts of Ontario as he shall direct a sample to be taken, provided that no change in the taxable price per litre of fuel from time to time in effect shall come into force until at least two days after the filing of a regulation prescribing a different taxable price per litre of fuel.

2. Section 2 of the said Act, as re-enacted by the Statutes of Ontario, 1977, chapter 18, section 1 and amended by 1978, chapter 78, section 1, is further amended by adding thereto the following subsection:

(1a) No person who is a registrant shall, until he has collected tax thereon at the rate provided for in this Act; supply or deliver fuel,

(a) into the tank, other than the fuel tank, of any motor vehicle used for the carriage or transportation of the

fuel in bulk and operated by or on behalf of a person who is not a registrant; or

- (b) into a storage tank controlled or owned by a person who is not a registrant and whom the registrant has reasonable grounds to suspect is acquiring the fuel for resale in any manner.

s. 3 (1, 2),
re-enacted

- 3.** Subsections 1 and 2 of section 3 of the said Act, as re-enacted by the Statutes of Ontario, 1979, chapter 25, section 2, are repealed and the following substituted therefor:

Tax

(1) Every purchaser shall pay to the Treasurer a tax at the rate of 27 per cent of the taxable price per litre on each litre of fuel received or used in Ontario by him to generate power in a motor vehicle other than railway equipment, and shall, on each litre of fuel received or used in Ontario by him to propel railway equipment on rails where such equipment is operated in connection with and as part of a public transportation system, pay to the Treasurer a tax at the rate of 8.37 per cent of the taxable price per litre of such fuel, and until a taxable price per litre of fuel is prescribed in accordance with this Act, every purchaser shall pay to the Treasurer a tax at the rate of 7 cents per litre on all fuel received or used in Ontario by him to generate power in a motor vehicle other than railway equipment and shall pay a tax at the rate of 2.2 cents per litre on all fuel received or used in Ontario by him to propel railway equipment on rails where such equipment is operated in connection with and as part of a public transportation system.

Idem

(2) Every registrant shall pay to the Treasurer a tax at the rate of 27 per cent of the taxable price per litre on each litre of fuel used by him to generate power in a motor vehicle other than railway equipment, and shall, on each litre of fuel used by him to propel railway equipment on rails where such equipment is operated in connection with and as part of a public transportation system, pay to the Treasurer a tax at the rate of 8.37 per cent of the taxable price per litre of such fuel, and until a taxable price per litre of fuel is prescribed in accordance with this Act, every registrant shall pay to the Treasurer a tax at the rate of 7 cents per litre on all fuel used by him to generate power in a motor vehicle other than railway equipment and shall pay a tax at the rate of 2.2 cents per litre on all fuel used by him to propel railway equipment on rails where such equipment is operated in connection with and as part of a public transportation system.

Idem

(2a) The tax imposed by this Act shall not be increased or reduced by reason of the fact that the price or consideration paid or given by a purchaser or registrant for fuel is different from the taxable price per litre of that fuel.

SECTION 3. The section provides that tax will be paid on diesel fuel used in motor vehicles at the rate of 27 per cent of the taxable price determined from time to time by the Minister. For fuel used to propel railway equipment, the tax rate is 8.37 per cent of the taxable price determined by the Minister so that the tax from time to time payable on such fuel will always be 31 per cent of the tax payable on diesel fuel used to propel motor vehicles.

Until a taxable price for diesel fuel to propel motor vehicles is determined by the Minister, the amendment provides for a specific tax of 7 cents per litre on such fuel. For fuel used to propel railway equipment, the tax remains at 2.2 cents per litre until a taxable price is determined by the Minister to which the new rate of tax may be applied.

Subsections 1 and 2 of section 3 of the Act now read:

- (1) *Every purchaser shall pay to the Treasurer a tax at the rate of 5.9 cents per litre on all fuel received or used in Ontario by him to generate power in a motor vehicle other than railway equipment and shall pay a tax at the rate of 2.2 cents per litre on all fuel received or used in Ontario by him to propel railway equipment on rails where such equipment is operated in connection with and as part of a public transportation system.*
- (2) *Every registrant shall pay to the Treasurer a tax at the rate of 5.9 cents per litre on all fuel used by him to generate power in a motor vehicle other than railway equipment and shall pay a tax at the rate of 2.2 cents per litre on all fuel used by him to propel railway equipment on rails where such equipment is operated in connection with and as part of a public transportation system.*

The new subsection 2a to be added by the amendment provides that the tax imposed by the Act will remain the same whether or not the fuel is sold for more or less than the taxable price per litre determined by the Minister.

SECTION 4. The clauses to be added by the amendment require the invoices to a purchaser to show the quantity of fuel purchased and the date of sale.

SECTION 5. The amendment re-enacts subsection 3 of section 21 of the Act, and adds clauses *b* and *c* as a consequence of the amendment made in section 1 of the Bill.

4. Subsection 1 of section 5 of the said Act, as amended by the Statutes of Ontario, 1977, chapter 18, section 5, is further amended, ^{s. 5 (1), amended}

(a) by striking out "and" at the end of clause *b*; and

(b) by adding thereto the following clauses:

(d) the quantity of fuel sold to the purchaser; and

(e) the date of sale.

5. Subsection 3 of section 21 of the said Act, as enacted by the Statutes of Ontario, 1977, chapter 18, section 9, is repealed and the following substituted therefor: ^{s. 21 (3), re-enacted}

(3) The Minister may make regulations,

Idem

(a) prescribing any form that is required by this Act or the regulations or that, in his opinion, will assist in the administration of this Act, and prescribing how and by whom any form shall be completed and what information it shall contain;

(b) prescribing the taxable price per litre of fuel to be in effect from time to time and the period of time for which such price shall be in effect;

(c) fixing to the nearest tenth of a cent the tax per litre of fuel to be paid under this Act as a result of the prescribing from time to time of a taxable price per litre in accordance with clause *b*.

- 6.—(1) This Act, except sections 1, 3, 4 and 5, comes into force on the day it receives Royal Assent. ^{Commencement}

(2) Sections 1, 3, 4 and 5 shall be deemed to have come into force on the 20th day of May, 1981. *Idem*

7. The short title of this Act is *The Motor Vehicle Fuel Tax Amendment Act, 1981*. ^{Short title}

An Act to amend
The Motor Vehicle Fuel Tax Act

1st Reading

May 19th, 1981

2nd Reading

3rd Reading

THE HON. G. L. ASHE
Minister of Revenue

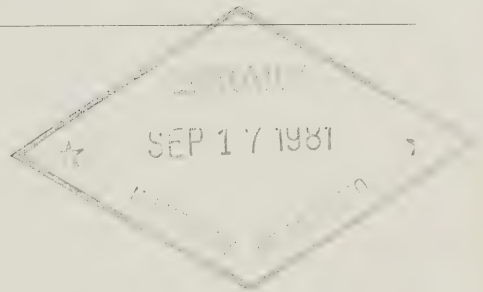
(Government Bill)

IN
6
ONTARIO LEGISLATIVE ASSEMBLY 3
1 2
BILL 73

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend The Motor Vehicle Fuel Tax Act

THE HON. G. L. ASHE
Minister of Revenue



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

BILL 73

1981

An Act to amend The Motor Vehicle Fuel Tax Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 1 of *The Motor Vehicle Fuel Tax Act*, being chapter 282 of the Revised Statutes of Ontario, 1970, as amended by the Statutes of Ontario, 1972, chapter 14, section 1, 1972, chapter 147, section 1 and 1979, chapter 25, section 1, is further amended by adding thereto the following clause:

(ha) "taxable price per litre" of fuel means the price per litre from time to time prescribed by the Minister as the taxable price per litre of fuel for such period of time as the Minister may prescribe, and in determining the taxable price per litre of fuel, the Minister shall use the median price obtained by him from such periodic sampling as he considers appropriate of the retail prices (excluding the tax imposed by this Act) of fuel in such part or parts of Ontario as he shall direct a sample to be taken, provided that no change in the taxable price per litre of fuel from time to time in effect shall come into force until at least two days after the filing of a regulation prescribing a different taxable price per litre of fuel.

2. Section 2 of the said Act, as re-enacted by the Statutes of Ontario, 1977, chapter 18, section 1 and amended by 1978, chapter 78, section 1, is further amended by adding thereto the following subsection:

(1a) No person who is a registrant shall, until he has collected tax thereon at the rate provided for in this Act, supply or deliver fuel,

(a) into the tank, other than the fuel tank, of any motor vehicle used for the carriage or transportation of the

s. 1,
amendeds. 2,
amendedObligation
of
registrant

fuel in bulk and operated by or on behalf of a person who is not a registrant; or

- (b) into a storage tank controlled or owned by a person who is not a registrant and who the registrant has reasonable grounds to suspect is acquiring the fuel for resale in any manner.

s. 3 (1, 2),
re-enacted

3. Subsections 1 and 2 of section 3 of the said Act, as re-enacted by the Statutes of Ontario, 1979, chapter 25, section 2, are repealed and the following substituted therefor:

Tax

(1) Every purchaser shall pay to the Treasurer a tax at the rate of 27 per cent of the taxable price per litre on each litre of fuel received or used in Ontario by him to generate power in a motor vehicle other than railway equipment, and shall, on each litre of fuel received or used in Ontario by him to propel railway equipment on rails where such equipment is operated in connection with and as part of a public transportation system, pay to the Treasurer a tax at the rate of 8.37 per cent of the taxable price per litre of such fuel, and until a taxable price per litre of fuel is prescribed in accordance with this Act, every purchaser shall pay to the Treasurer a tax at the rate of 7 cents per litre on all fuel received or used in Ontario by him to generate power in a motor vehicle other than railway equipment and shall pay a tax at the rate of 2.2 cents per litre on all fuel received or used in Ontario by him to propel railway equipment on rails where such equipment is operated in connection with and as part of a public transportation system.

Idem

(2) Every registrant shall pay to the Treasurer a tax at the rate of 27 per cent of the taxable price per litre on each litre of fuel used by him to generate power in a motor vehicle other than railway equipment, and shall, on each litre of fuel used by him to propel railway equipment on rails where such equipment is operated in connection with and as part of a public transportation system, pay to the Treasurer a tax at the rate of 8.37 per cent of the taxable price per litre of such fuel, and until a taxable price per litre of fuel is prescribed in accordance with this Act, every registrant shall pay to the Treasurer a tax at the rate of 7 cents per litre on all fuel used by him to generate power in a motor vehicle other than railway equipment and shall pay a tax at the rate of 2.2 cents per litre on all fuel used by him to propel railway equipment on rails where such equipment is operated in connection with and as part of a public transportation system.

Idem

(2a) The tax imposed by this Act shall not be increased or reduced by reason of the fact that the price or consideration paid or given by a purchaser or registrant for fuel is different from the taxable price per litre of that fuel.

4. Subsection 1 of section 5 of the said Act, as amended by the Statutes of Ontario, 1977, chapter 18, section 5, is further amended, ^{s. 5 (1), amended}

(a) by striking out "and" at the end of clause *b*; and

(b) by adding thereto the following clauses:

(d) the quantity of fuel sold to the purchaser; and

(e) the date of sale.

5. Subsection 3 of section 21 of the said Act, as enacted by the Statutes of Ontario, 1977, chapter 18, section 9, is repealed and the following substituted therefor: ^{s. 21 (3), re-enacted}

(3) The Minister may make regulations,

Idem

(a) prescribing any form that is required by this Act or the regulations or that, in his opinion, will assist in the administration of this Act, and prescribing how and by whom any form shall be completed and what information it shall contain;

(b) prescribing the taxable price per litre of fuel to be in effect from time to time and the period of time for which such price shall be in effect;

(c) fixing to the nearest tenth of a cent the tax per litre of fuel to be paid under this Act as a result of the prescribing from time to time of a taxable price per litre in accordance with clause *b*.

- 6.—(1) This Act, except sections 1, 3, 4 and 5, comes into force on the day it receives Royal Assent. ^{Commencement}

(2) Sections 1, 3, 4 and 5 shall be deemed to have come into force on the 20th day of May, 1981. ^{*Idem*}

7. The short title of this Act is *The Motor Vehicle Fuel Tax Amendment Act, 1981*. ^{Short title}

BILL 73

An Act to amend
The Motor Vehicle Fuel Tax Act

1st Reading

May 19th, 1981

2nd Reading

June 25th, 1981

3rd Reading

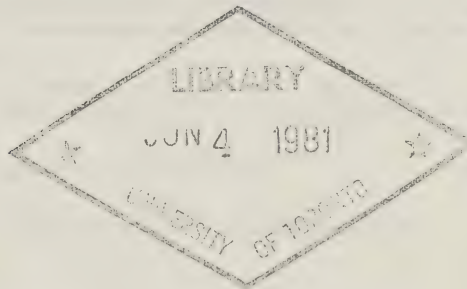
June 26th, 1981

THE HON. G. L. ASHE
Minister of Revenue

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend The Live Stock Branding Act

THE HON. L. C. HENDERSON
Minister of Agriculture and Food



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTES

SECTION 1.—Subsection 1. Section 1 of the Act is a definition section. At present, “live stock” means a horse, head of cattle, sheep or fowl. The re-enactment extends the definition to include a class or classes of animals prescribed in the regulations.

Subsection 2. A definition of “regulations” is added to section 1 of the Act.

SECTION 2. Subsection 2 of section 2 of the Act now reads as follows:

(2) *Every such brand shall be recorded as in this Act provided and the fees payable are those set out in the Schedule.*

The re-enactment of the subsection is complementary to sections 4 and 5 of the Bill (fees will be prescribed by regulation).

SECTION 3. The new section 2a of the Act provides for certain exceptions to the Act.

SECTION 4. Section 6 of the Act now reads as follows:

6. *The Minister may make regulations prescribing forms and providing for their use and as are necessary for the better carrying out of the provisions of this Act.*

The re-enactment extends the authority to make regulations.

BILL 74

1981

An Act to amend The Live Stock Branding Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

- 1.—(1) Clause *c* of section 1 of *The Live Stock Branding Act*, being chapter 252 of the Revised Statutes of Ontario, 1970, is repealed and the following substituted therefor: s. 1 (c),
re-enacted

(c) “live stock” means a horse, head of cattle, sheep, fowl and such additional class or classes of animals as are prescribed in the regulations.

- (2) The said section 1 is amended by adding thereto the following clause: s. 1,
amended

(e) “regulations” means the regulations made under this Act.

2. Subsection 2 of section 2 of the said Act is repealed and the following substituted therefor: s. 2 (2),
re-enacted

(2) Every brand shall be recorded in the manner prescribed in this Act and the fees payable in respect of such brand are those prescribed in the regulations. Recording
brand and
fees

3. The said Act is amended by adding thereto the following section: s. 2a,
enacted

2a. This Act does not apply to a brand that is, Exception

(a) applied to one specific animal and unique to that animal; and

(b) part of a system designed to identify individual animals in a program for the breeding of pure-bred live stock.

4. Section 6 of the said Act is repealed and the following substituted therefor: s. 6,
re-enacted

6. The Minister may make regulations, Regulations

- (a) prescribing an additional class or classes of animals as live stock;
- (b) prescribing fees to be paid by persons for allotment of a brand, renewal of allotment of a brand, change in the record of a brand, transfer of a recorded brand, search of a brand record and certified extract from the brand records; and
- (c) prescribing forms and providing for their use.

Schedule,
repealed

5. The Schedule to the said Act is repealed.

Commence-
ment

6. This Act comes into force on a day to be named by proclamation of the Lieutenant Governor.

Short title

7. The short title of this Act is *The Live Stock Branding Amendment Act, 1981*.

SECTION 5. The repeal of the Schedule is complementary to sections 2 and 4 of the Bill.

BILL 74

An Act to amend
The Live Stock Branding Act

1st Reading

May 21st, 1981

2nd Reading

3rd Reading

THE HON. L. C. HENDERSON
Minister of Agriculture and Food

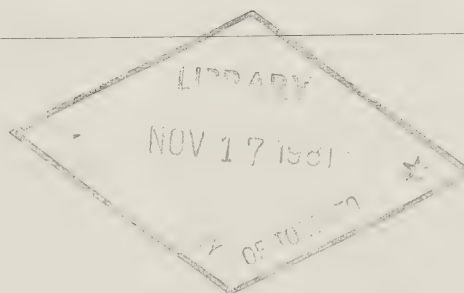
(Government Bill)

W
66
BILL 74

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend the Live Stock Branding Act

THE HON. L. C. HENDERSON
Minister of Agriculture and Food



TORONTO

PRINTED BY ALAN GORDON, QUEEN'S PRINTER FOR ONTARIO

BILL 74

1981

An Act to amend the Live Stock Branding Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

- 1.**—(1) Clause 1 (*b*) of the *Live Stock Branding Act*, being chapter s. 1 (*b*),
246 of the Revised Statutes of Ontario, 1980, is repealed and re-enacted
the following substituted therefor:

(*b*) “live stock” means a horse, head of cattle, sheep, fowl
and such additional class or classes of animals as are
prescribed in the regulations.

- (2) Section 1 of the said Act is amended by adding thereto the s. 1,
following clause: amended

(*e*) “regulations” means the regulations made under this
Act.

- 2.** Subsection 2 (2) of the said Act is repealed and the following s. 2 (2),
substituted therefor: re-enacted

(2) Every brand shall be recorded in the manner prescribed in Recording
this Act and the fees payable in respect of such brand are those brand and
prescribed in the regulations. fees

- 3.** The said Act is amended by adding thereto the following section: s. 2*a*,
enacted

2*a*. This Act does not apply to a brand that is, Exception

(*a*) applied to one specific animal and unique to that ani-
mal; and

(*b*) part of a system designed to identify individual animals
in a program for the breeding of pure-bred live stock.

- 4.** Section 6 of the said Act is repealed and the following substituted s. 6,
therefor: re-enacted

6. The Minister may make regulations, Regulations

- (a) prescribing an additional class or classes of animals as live stock;
- (b) prescribing fees to be paid by persons for allotment of a brand, renewal of allotment of a brand, change in the record of a brand, transfer of a recorded brand, search of a brand record and certified extract from the brand records; and
- (c) prescribing forms and providing for their use.

Schedule,
repealed

5. The Schedule to the said Act is repealed.

Commence-
ment

6. This Act comes into force on a day to be named by proclamation of the Lieutenant Governor.

Short title

7. The short title of this Act is the *Live Stock Branding Amendment Act, 1981*.

Bill 77

An Act to amend the
Live Stock Branding Act

1st Reading

May 21st, 1981

2nd Reading

October 26th, 1981

3rd Reading

October 29th, 1981

THE HON. L. C. HENDERSON
Minister of Agriculture and Food

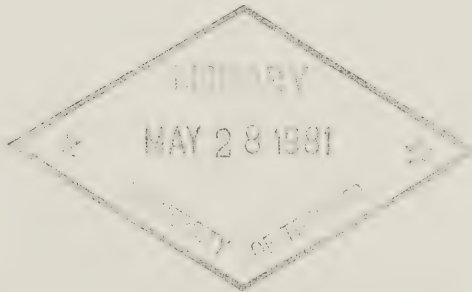
1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

LEGISLATIVE ASSEMBLY

2

An Act to amend The Town of Wasaga Beach Act, 1973

THE HON. T. L. WELLS
Minister of Intergovernmental Affairs



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTE

The section to be added deems the Town of Wasaga Beach to be a township municipality for the purpose of *The Public Transportation and Highway Improvement Act*.

BILL 75

1981

**An Act to amend
The Town of Wasaga Beach Act, 1973**

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. *The Town of Wasaga Beach Act, 1973*, being chapter 79, is amended by adding thereto the following section: s. 17a,
enacted

17a. For the purposes of *The Public Transportation and Highway Improvement Act*, the Town shall be deemed to be a township. Town deemed
township
R.S.O. 1970,
c. 201

2. This Act shall be deemed to have come into force on the 1st day of January, 1981. Commence-
ment
3. The short title of this Act is *The Town of Wasaga Beach Amendment Act, 1981*. Short title

BILL 75

An Act to amend
The Town of Wasaga Beach Act, 1973

1st Reading

May 21st, 1981

2nd Reading

3rd Reading

THE HON. T. L. WELLS
Minister of Intergovernmental Affairs

(Government Bill)

66
BILL 76

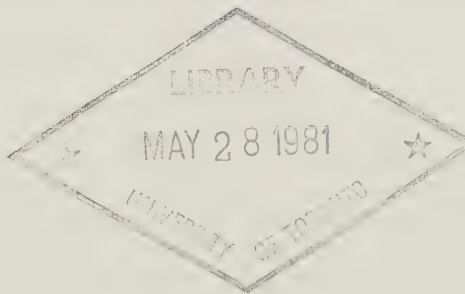
Government Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

LEGISLATIVE ASSEMBLY

An Act to amend The Tobacco Tax Act

THE HON. G. L. ASHE
Minister of Revenue



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTES

GENERAL

The Bill implements the proposals in the Treasurer's Budget that the tax on cigarettes and on tobacco, other than cigarettes or cigars, be established as percentages of the retail prices of those products, as determined by the Minister of Revenue after periodic sampling of retail prices from time to time paid by consumers. The Bill makes provision for the Minister to alter the price on which the tax is based so that increases and decreases in retail prices can be reflected by a corresponding change in the tax payable.

Until the new procedure is implemented, the Bill provides for specific increases in the tax payable on cigarettes and on tobacco, other than cigarettes or cigars. The tax on cigarettes is increased from 1.2 cents to 1.46 cents per cigarette. The tax on tobacco, other than cigarettes or cigars, is increased from 0.5 cents to 0.7 cents per gram.

The tax on cigars is not increased from the 45 per cent of retail price now in effect, but the 45 per cent rate will now apply to those cigars the retail price of which, before applying the tax, is not more than 9 cents, and this will replace the present tax of 3 cents on each such cigar.

SECTION 1. The amendment adds definitions of "taxable price per cigarette" and "taxable price per gram" of tobacco, other than cigarettes or cigars. These taxable prices are to be determined by the Minister by periodic sampling of prevailing retail prices, and the taxable prices so determined will be the prices to which the rates of tax applicable to cigarettes and to tobacco, other than cigarettes or cigars, will apply.

An Act to amend The Tobacco Tax Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 1 of *The Tobacco Tax Act*, being chapter 463 of the Revised Statutes of Ontario, 1970, is amended by adding thereto the following clauses: ^{s. 1, amended}

(ga) “taxable price per cigarette” means the price per cigarette from time to time prescribed by regulation by the Minister as the taxable price per cigarette for such period of time as the Minister may prescribe, and in determining the taxable price per cigarette, the Minister shall use the median price obtained by him from such periodic sampling as he considers appropriate of the retail prices (excluding the tax imposed by this Act) of packages of twenty cigarettes in such part or parts of Ontario as he shall direct a sample to be taken, provided that no change in the taxable price per cigarette from time to time in effect shall come into force until at least two days after the filing of a regulation prescribing a different taxable price per cigarette;

(gb) “taxable price per gram” of tobacco, other than cigarettes or cigars, means the price per gram of such tobacco from time to time prescribed by regulation by the Minister as the taxable price per gram of such tobacco for such period of time as the Minister may prescribe, and in determining the taxable price per gram, the Minister shall use the median price obtained by him from such periodic sampling as he considers appropriate of the retail prices (excluding the tax imposed by this Act) of 50-gram packages of tobacco, other than cigarettes or cigars, in such part or parts of Ontario as he shall direct a sample to be taken, provided that no change in the taxable price per gram from time to time in effect shall come into force until at least two days after the filing of a regulation prescribing a different taxable price per gram.

s. 2 (1),
re-enacted

- 2.** Subsection 1 of section 2 of the said Act, as re-enacted by the Statutes of Ontario, 1979, chapter 17, section 1, is repealed and the following substituted therefor:

Tax on
consumers

(1) Every consumer shall pay to Her Majesty in right of Ontario a tax at the rate of,

- (a) 36 per cent of the taxable price per cigarette on every cigarette purchased by him;
- (b) 30 per cent of the taxable price per gram on every gram or part thereof of any tobacco, other than cigarettes or cigars, purchased by him; and
- (c) 45 per cent of the price at retail of every cigar that is purchased by him, provided that where the application of such rate of tax produces a fraction of a cent, the fraction shall be counted as one full cent,

and until a taxable price per cigarette or taxable price per gram is prescribed by regulation by the Minister in accordance with this Act, every consumer shall pay to Her Majesty in right of Ontario a tax at the rate of,

- (d) 1.46 cents on every cigarette purchased by him; and
- (e) 0.7 cents on every gram or part thereof of any tobacco, other than cigarettes or cigars, purchased by him.

Idem

(1a) The tax imposed by this Act shall not be increased or reduced by reason of the fact that the price or consideration paid or given by a consumer for cigarettes or for tobacco, other than cigarettes or cigars, is different from the taxable price per cigarette or from the taxable price per gram, as the case may be.

s. 9 (1) (c),
amended

- 3.** Clause *c* of subsection 1 of section 9 of the said Act is amended by striking out "audit or examination and to answer all questions relating to the audit or examination" in the eighth and ninth lines and inserting in lieu thereof "audit or examination, or the determination by him of the retail price of any tobacco sold, and to answer all questions relating to such audit, examination or determination".

s. 11c(1),
re-enacted

- 4.** Subsection 1 of section 11c of the said Act, as enacted by the Statutes of Ontario, 1980, chapter 27, section 4, is repealed and the following substituted therefor:

Penalty
for selling
tobacco
with no
wholesale
dealer's
permit

(1) Every person who sells tobacco in Ontario for resale without holding a subsisting wholesale dealer's permit issued under this Act shall, when assessed therefor, pay a penalty computed as follows:

SECTION 2. The section provides that tax will be paid on cigarettes at the rate of 36 per cent of the taxable price determined from time to time by the Minister. For tobacco, other than cigarettes or cigars, the rate of tax is 30 per cent of the taxable price determined from time to time by the Minister.

Until taxable prices for cigarettes and tobacco, other than cigarettes or cigars, are determined by the Minister, the amendment provides for specific taxes of 1.46 cents per cigarette for cigarettes and 0.7 cents per gram for tobacco, other than cigarettes or cigars. The rate of tax for most cigars remains at 45 per cent, and this rate will now apply to cigars the retail price of which is not more than 9 cents.

Subsection 1 of section 2 of the Act now reads:

(1) Every consumer shall pay to Her Majesty in right of Ontario a tax computed as follows:

- (a) 1.2 cents on every cigarette purchased by him;*
- (b) 0.5 cents on every gram or part thereof of any tobacco, other than cigarettes or cigars, purchased by him;*
- (c) 3 cents on every cigar purchased by him for a price at retail of not more than 9 cents;*
- (d) 45 per cent of the price at retail of every cigar that is purchased by him for a price at retail of more than 9 cents, provided that where the application of such rate of tax produces a fraction of a cent, the fraction shall be counted as one full cent.*

SECTION 3. The amendment provides authority for the Minister to require the furnishing of information concerning the retail prices of tobacco. Clause *c* of subsection 1 of section 9 of the Act, prior to the amendment proposed here, reads as follows:

9.—(1) Any person thereunto authorized by the Minister for any purpose related to the administration or enforcement of this Act may at all reasonable times enter into any premises or place where any business is carried on or any property is kept or anything is done in connection with any business or any books or records are or should be kept pursuant to this Act, and may,

- (c) require a dealer liable to collect or pay over or considered possibly liable to collect or pay over tax imposed under this Act, or, if such dealer is a partnership or corporation, require a partner or the president, manager, secretary or any director, agent or representative thereof and any other person on the premises of such dealer to give him all reasonable assistance with his audit or examination and to answer all questions relating to the audit or examination, either orally or, if he so requires, in writing, on oath or by statutory declaration, and for that purpose require such person to attend at the premises or place with him.*

SECTION 4. The amendment repeats subsection 1 of section 11c of the Act with changes to clauses *a* and *b* in order to accommodate the fluctuating rate of tax proposed in earlier amendments. Clauses *a* and *b* prior to the amendment proposed here, read as follows:

- (a) \$3 for every carton of cigarettes so sold by him;
- (b) 1 cent for every gram or part thereof of any tobacco, other than cigarettes or cigars, so sold by him.

SECTION 5. The amendments will extend to the Yukon and Northwest Territories the jurisdictions with which the Minister can exchange information for tax enforcement and administration under the Act.

Subsection 2 of section 12 of the Act now reads:

(2) *The Minister may,*

- (a) *communicate or allow to be communicated information obtained under this Act; or*
- (b) *allow inspection of or access to any written statement furnished under this Act,*

to any person employed by the government of Canada or any province of Canada provided that the information and written statements obtained by such government for the purpose of any Act that imposes a tax are communicated or furnished on a reciprocal basis to the Minister, and provided that the information and written statements will not be used for any purpose other than the administration or enforcement of a federal or provincial law that provides for the imposition of a tax.

SECTION 6. The amendments transfer from the Lieutenant Governor in Council to the Minister the power to make regulations described in clauses *b*, *c* and *d* of the subsection to be enacted. These clauses are identical to those repealed by subsection 1. In addition, clauses *e* and *f* are added to subsection 1a as a consequence of the amendments in section 1 of the Bill.

Subsection 1a, which is repealed by the proposed amendments, reads as follows:

- (1a) *The Minister may make regulations prescribing any form required by this Act or the regulations or that, in his opinion, will assist in the administration of this Act, and prescribing how and by whom any form shall be completed and what information it shall contain.*

- (a) 1.25 times the amount of tax that would have been exigible on cigarettes so sold by him if such cigarettes had been purchased by a consumer;
- (b) twice the amount of tax that would be exigible on tobacco, other than cigarettes or cigars, so sold by him if such tobacco had been purchased by a consumer; and
- (c) 50 per cent of the price at which each cigar was so sold by him.

5. Subsection 2 of section 12 of the said Act is amended,

s. 12 (2),
amended

- (a) by inserting after "province" in the seventh line "or territory"; and
- (b) by striking out "federal or provincial law" in the twelfth and thirteenth lines and inserting in lieu thereof "federal, provincial or territorial law or ordinance".

6.—(1) Clauses *e*, *f* and *l* of subsection 1 of section 16 of the said Act are repealed.

s. 16 (1)
(*e*, *f*, *l*),
repealed

(2) Subsection 1*a* of the said section 16, as enacted by the Statutes of Ontario, 1977, chapter 11, section 7, is repealed and the following substituted therefor:

s. 16 (1*a*),
re-enacted

(1*a*) The Minister may make regulations,

Minister
may make
regulations

- (a) prescribing any form required by this Act or the regulations or that, in his opinion, will assist in the administration of this Act, and prescribing how and by whom any form shall be completed and what information it shall contain;
- (b) prescribing the returns and statements to be made by importers, manufacturers and dealers of tobacco, the information to be given in such returns and statements, and by whom and in what manner they are to be made;
- (c) providing for the extension of time for making returns;
- (d) providing for the refund of the whole or any part of the tax paid under this Act, and prescribing the records and material to be furnished upon any application for a refund;
- (e) prescribing the taxable price per cigarette or taxable price per gram to be in effect from time to time for cigarettes or for tobacco, other than cigarettes or cigars,

and prescribing the period of time for which taxable price per cigarette or taxable price per gram shall be in effect;

- (f) fixing to the nearest hundredth of a cent the tax per cigarette or per gram of tobacco, other than cigarettes or cigars, to be paid under this Act as a result of the prescribing from time to time of a taxable price per cigarette or taxable price per gram in accordance with clause e.

Commence-
ment

7.—(1) This Act, except sections 1, 2 and 6, comes into force on the day it receives Royal Assent.

Idem

(2) Sections 1, 2 and 6 shall be deemed to have come into force on the 20th day of May, 1981.

Short title

8. The short title of this Act is *The Tobacco Tax Amendment Act, 1981*.

BILL 76

An Act to amend
The Tobacco Tax Act

1st Reading

May 21st, 1981

2nd Reading

3rd Reading

THE HON. G. L. ASHE
Minister of Revenue

(Government Bill)

6

10

BILL 77

GOVERNMENT OF ONTARIO
Government Bill

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

LEGISLATIVE ASSEMBLY

An Act to amend The Income Tax Act

THE HON. G. L. ASHE
Minister of Revenue



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTES

GENERAL

The Bill increases the income tax rate payable by individuals in Ontario from 44 per cent to 46 per cent for the 1981 taxation year and to 48 per cent for the 1982 taxation year. In addition, amendments are made to provide that individuals who reside in properties exempt from provincial land tax, local roads boards tax or municipal tax (except for prescribed student residences) will not be eligible for an Ontario property tax credit. Further amendments provide that a person is not entitled to claim an Ontario tax credit with respect to a year in which he either leaves the country or dies. Furthermore, foreign students authorized to enter Canada to attend an educational institution will no longer qualify for an Ontario tax credit.

SECTION 1. The amendment increases the income tax rate payable by individuals from 44 per cent to 46 per cent for the 1981 taxation year and to 48 per cent for the 1982 taxation year.

SECTION 2. The amendment provides that, for the 1981 taxation year, an individual with a taxable income of \$1,874 or less will not be subject to tax.

Individuals with taxable incomes of \$2,058 or more will be subject to the normal rate of tax. A notch provision gives relief to individuals having taxable incomes between \$1,874 and \$2,058 by providing that their tax in 1981 will be reduced by one-half of the amount by which \$2,058 exceeds their taxable income.

In subsequent taxation years, the taxable income at which no tax is payable and the range of taxable income in which a reduced tax is payable will be prescribed.

BILL 77

1981

An Act to amend The Income Tax Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsection 3 of section 3 of *The Income Tax Act*, being chapter 217 of the Revised Statutes of Ontario, 1970, as amended by the Statutes of Ontario, 1971 (2nd Session), chapter 1, section 3, 1977, chapter 6, section 1 and 1980, chapter 25, section 1, is further amended,
 - (a) by striking out "and" at the end of clause *h*; and
 - (b) by adding thereto the following clauses:
 - (j) 46 per cent in respect of the 1981 taxation year; and
 - (k) 48 per cent in respect of the 1982 taxation year.
2. Section 6*a* of the said Act, as re-enacted by the Statutes of Ontario, 1976, chapter 12, section 2 and amended by 1977, chapter 6, section 3, is repealed and the following substituted therefor:

6*a*.—(1) Where the taxable income of an individual for a taxation year does not exceed the amount prescribed for the purpose of this subsection for a particular taxation year, no tax is payable under this Act by the individual for the taxation year.

(2) Where the taxable income of an individual for a taxation year exceeds the amount prescribed for the purpose of subsection 1 for a particular taxation year, but does not exceed the amount prescribed for the purpose of this subsection for that taxation year, the tax payable under this Act (after the deduction authorized by subsection 6 of section 3 and before any deduction authorized by subsection 2 or 4*a* of section 6*b*) may be reduced by an amount equal to one-half of the amount by which the amount prescribed for the purpose of this subsection exceeds the individual's taxable income for the taxation year.

s. 3 (3),
amendeds. 6*a*,
re-enactedNo tax
payableTax
reduction

Amount
prescribed
for 1981
taxation
year

(3) For the purpose of this section, the amount prescribed for the purpose of subsection 1 for the 1981 taxation year is \$1,874 and the amount prescribed for the purpose of subsection 2 for the 1981 taxation year is \$2,058.

s. 6b (1) (a),
re-enacted

3.—(1) Clause *a* of subsection 1 of section 6b of the said Act, as re-enacted by the Statutes of Ontario, 1980, chapter 25, section 2, is repealed and the following substituted therefor:

(a) "housing unit" includes,

- (i) subject to subclauses ii and iii, any premises that an individual ordinarily occupies and inhabits as his residence in the taxation year,

but does not include,

- (ii) premises that are part of a chronic care facility or other similar institution that is prescribed, or that are part of any charitable institution, home for special care, home for the aged, public nursing home or private nursing home, or
- (iii) premises, except any students' residence that is prescribed under subsection 3, during such time in a taxation year as,

R.S.O. 1970,
cc. 370, 256

A. such premises are exempt from the payment of taxes levied under *The Provincial Land Tax Act*, *The Local Roads Boards Act* or taxes for municipal and school purposes levied in respect of real property in Ontario that is assessed as residential or farm property, or

B. the owner does not pay a grant equal to the full amount of the taxes described in sub-subclause A that would, if such premises were not exempt, be payable or a grant equal to an amount prescribed by the Minister in respect of such premises or class of premises,

except when such excluded premises are occupied and inhabited by an individual of a class prescribed for the purpose of this clause.

s. 6b (1) (f),
amended

(2) Clause *f* of subsection 1 of the said section 6b, as re-enacted by the Statutes of Ontario, 1973, chapter 21, section 2 and amended by 1973, chapter 153, section 2, 1975, chapter 16, section 3 and 1980, chapter 25, section 2, is further amended,

SECTION 3.—Subsection 1. The amendment redefines “housing unit” to provide that where no provincial land tax, local roads boards tax or municipal tax is payable or no grant instead of such tax is paid by the owner of the lands to the municipality in which the lands are situate, then the premises will no longer qualify as a “housing unit”.

Prescribed student residences will, however, continue to qualify as “housing units” despite the fact that they do not meet this new requirement.

The definition of “housing unit” now contained in the Act reads:

- (a) *“housing unit” includes any premises that an individual ordinarily occupies and inhabits as his residence in the taxation year, but does not include premises that are part of a chronic care facility or other similar institution that is prescribed, or that are part of any charitable institution, home for special care, home for the aged, public nursing home or private nursing home, except when such excluded premises are occupied and inhabited by an individual of a class prescribed for the purpose of this clause.*

Subsection 2. The subsection makes two amendments to the definition of “principal taxpayer”. Firstly, it substitutes “the 31st day of December in the taxation year” for “last day of the taxation year” (an expression which is defined in section 1 (2) of the Act), to include situations where an individual dies or leaves Canada in the taxation year. The use of December 31st prevents a person who dies or leaves Canada in a taxation year from claiming a property tax credit for such year.

Secondly, a new subclause is added to exclude from eligibility for a property tax credit, individuals who are not Canadian citizens and who have been admitted to Canada to attend a university or college.

Subsection 3. The amendment is consequential on the amendments made in subsection 2. The subsection to be amended now reads:

- (2) *Every individual resident in Ontario on the last day of the taxation year may deduct from the tax otherwise payable by him under this Act the amount not in excess of \$500 by which the aggregate of the tax credits that are described in clauses a, b and c and to which he is entitled exceeds 2 per cent of his taxable income for the taxation year,*
- (a) *where the individual is a principal taxpayer, a tax credit equal to the sum of,*
- (i) *the lesser of his occupancy cost for the taxation year or \$180, and*
- (ii) *an amount equal to 10 per cent of his occupancy cost for the taxation year; and*
- (b) *a tax credit of an amount equal to 1 per cent of the total of those deductions that are authorized by section 109 of the Federal Act and that have been claimed by the individual entitled to claim them in his return filed in accordance with the Federal Act, but the tax credit described in this clause may not be claimed by an individual,*

- (a) by striking out that portion of the said clause immediately preceding subclause i and inserting in lieu thereof,

“principal taxpayer” means an individual who, on the 31st day of December in the taxation year, occupies and inhabits a principal residence except when that individual, on the 31st day of December in the taxation year, occupies and inhabits a principal residence with his spouse, in which case, “principal taxpayer” means that spouse who has the higher taxable income for the taxation year, but “principal taxpayer” does not include any individual who died at any time in the taxation year or who, on the 31st day of December in the taxation year was,

and;

- (b) by striking out “or” at the end of subclause v, by adding “or” at the end of subclause vi and by adding thereto the following subclause:

(vii) an individual who has been lawfully admitted to Canada on a temporary basis for the specific purpose of attending any university, college or other educational institution.

- (3) Subsection 2 of the said section 6*b*, as re-enacted by the Statutes of Ontario, 1973, chapter 153, section 2 and amended by 1974, chapter 91, section 2, 1975, chapter 16, section 3, 1976, chapter 81, section 2 and 1980, chapter 25, section 2, is repealed and the following substituted therefor:

(2) Every individual resident in Ontario on the 31st day of December in the taxation year may deduct from the tax otherwise payable by him, under this Act the amount not in excess of \$500 by which the aggregate of the tax credits that are described in clauses *a* and *b* and to which he is entitled exceeds 2 per cent of his taxable income for the taxation year,

- (a) where the individual is a principal taxpayer, a tax credit equal to the sum of,

(i) the lesser of his occupancy cost for the taxation year or \$180, and

(ii) an amount equal to 10 per cent of his occupancy cost for the taxation year; and

(b) a tax credit of an amount equal to 1 per cent of the total of those deductions that are authorized by section 109 of the Federal Act and that have been claimed by the individual entitled to claim them in his return filed in accordance with the Federal Act, but the tax credit described in this clause may not be claimed by an individual,

(i) who died during the taxation year or who, on the 31st day of December in the taxation year, is an individual described in subclause i, iii, iv, v or vii of clause *f* of subsection 1,

(ii) with respect to whom any other taxpayer resident in Canada on the 31st day of December in the taxation year has, in computing his taxable income under the Federal Act, claimed in his return filed in accordance with that Act a deduction authorized by paragraph *a, b, d, e, f* or *g* of subsection 1 of section 109 of that Act for any portion of the taxation year, or

(iii) who, on the 31st day of December in the taxation year, is an individual entitled to receive in respect of the taxation year a grant under section 7 of *The Ontario Pensioners Property Tax Assistance Act, 1980*.

1980, c. 18

s. 6*b* (4),
repealed

(4) Subsection 4 of the said section 6*b*, as re-enacted by the Statutes of Ontario, 1972, chapter 146, section 2 and amended by 1974, chapter 91, section 2, is repealed.

s. 6*b* (9),
amended

(5) Subsection 9 of the said section 6*b*, as re-enacted by the Statutes of Ontario, 1980, chapter 25, section 2, is amended by striking out "last day of" in the third line and inserting in lieu thereof "31st day of December in".

s. 6*b*,
amended

(6) The said section 6*b*, as re-enacted by the Statutes of Ontario, 1972, chapter 146, section 2 and amended by 1973, chapter 21, section 2, 1973, chapter 153, section 2, 1974, chapter 91, section 2, 1975, chapter 16, section 3, 1976, chapter 12, section 3, 1976, chapter 81, section 2, 1978, chapter 11, section 2 and 1980, chapter 25, section 2, is further amended by adding thereto the following subsections:

Separation
in year

(9*a*) Notwithstanding clause *d* of subsection 1 or subclause vi of clause *f* of subsection 1, where, in any taxation year, an individual separates from a spouse who, on the 31st day of December in such taxation year, is an eligible person, as defined by *The Ontario Pensioners Property Tax Assistance Act, 1980*,

1980, c. 18

- (i) *who, on the last day of the taxation year, is an individual described in subclause i, iii, iv or v of clause f of subsection 1,*
- (ii) *with respect to whom any other taxpayer resident in Canada on the last day of the taxation year has, in computing his taxable income under the Federal Act, claimed in his return filed in accordance with that Act a deduction authorized by paragraph a, b, d, e, f or g of subsection 1 of section 109 of that Act for any portion of the taxation year, or*
- (iii) *who, on the last day of the taxation year, is an individual entitled to receive in respect of the taxation year a grant under section 7 of The Ontario Pensioners Property Tax Assistance Act, 1980.*

Subsection 4. The repeal of subsection 4 of section 6*b* is consequential on earlier amendments providing that individuals who die in a year are no longer entitled to a property tax credit for that year.

Subsection 5. The amendment is consequential on the amendments made in subsection 2. The subsection to be amended now reads:

- (9) *Notwithstanding clause f of subsection 1, if an individual occupies and inhabits with his spouse a principal residence on the last day of the taxation year, and,*
 - (a) *if that individual and his spouse have the same amount of taxable income in the taxation year or have no taxable income in the taxation year, they may agree between them which of them shall claim the deduction permitted under subsection 2, and the individual thus agreed upon shall be deemed to be the principal taxpayer; and*
 - (b) *if the individual and his spouse married in that taxation year, the spouse having the lower taxable income and not otherwise disqualified as a principal taxpayer under clause f of subsection 1 shall be deemed to be a principal taxpayer in respect of occupancy cost for a principal residence inhabited by that spouse in the taxation year and prior to the marriage, provided that such occupancy cost is not included in the occupancy cost of the other spouse.*

Subsection 6. The amendment adds two new subsections to section 6*b*.

The first subsection provides that an individual who separates from an "eligible person" as defined in *The Ontario Pensioners Property Tax Assistance Act, 1980* is now entitled to claim a property tax credit based on the occupancy costs he incurs from the date of separation to the end of the year.

The second subsection provides that an individual under age 65, who marries a person entitled to a tax grant under *The Ontario Pensioners Property Tax Assistance Act, 1980* is no longer precluded from making a claim in the year of marriage for a property tax credit. However, the claim may include only the occupancy cost of such person incurred prior to marriage provided that such cost is not included by the spouse in a claim under *The Ontario Pensioners Property Tax Assistance Act, 1980*.

SECTION 4. The clauses added by the amendment clarify an individual's right to appeal the amount of his entitlement to an Ontario tax credit under section 6*b*.

pursuant to a separation agreement as defined in that Act, such individual shall be deemed to be a principal taxpayer but his occupancy cost for such taxation year shall include only that occupancy cost that is attributable to the portion of the taxation year subsequent to such separation.

(9b) Notwithstanding subclause vi of clause *f* of subsection 1, ^{Marriage in year} where, in the taxation year, an individual marries a person who, on the 31st day of December in such taxation year, is an eligible person, as defined by *The Ontario Pensioners Property Tax Assistance Act, 1980*, such individual shall be deemed to be a principal taxpayer, but his occupancy cost for such taxation year shall include only that occupancy cost that is attributable to the portion of the taxation year prior to such marriage and that is not included in the occupancy cost of the spouse who is an eligible person.

4. Subsection 2 of section 20 of the said Act is amended by striking out “or” at the end of clause *b* and by adding thereto the following clauses: ^{s. 20 (2), amended}

(d) any deduction under subsection 2 or 4a of section 6b; or

(e) the application of any amount pursuant to subsection 5 of section 6b.

- 5.—(1) This Act, except sections 1, 2 and 3, comes into force on the day it receives Royal Assent. ^{Commence-ment}

(2) Sections 1, 2 and 3 shall be deemed to have come into force on the 1st day of January, 1981. ^{Idem}

6. The short title of this Act is *The Income Tax Amendment Act, 1981*. ^{Short title}

An Act to amend The Income Tax Act

1st Reading

May 21st, 1981

2nd Reading

3rd Reading

THE HON. G. L. ASHE
Minister of Revenue

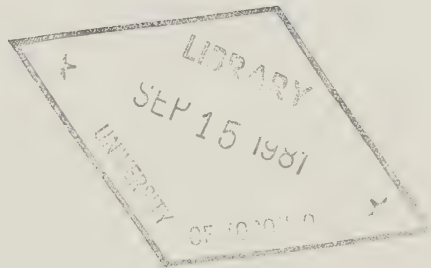
(Government Bill)

6
BILL 77
v/1

1ST SESSION, 32ND LEGISLATURE, ^{✓✓}ONTARIO
30 ELIZABETH II, 1981

An Act to amend The Income Tax Act

THE HON. G. L. ASHE
Minister of Revenue



BILL 77

1981

An Act to amend The Income Tax Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsection 3 of section 3 of *The Income Tax Act*, being chapter 217 of the Revised Statutes of Ontario, 1970, as amended by the Statutes of Ontario, 1971 (2nd Session), chapter 1, section 3, 1977, chapter 6, section 1 and 1980, chapter 25, section 1, is further amended,
 - (a) by striking out "and" at the end of clause *h*; and
 - (b) by adding thereto the following clauses:
 - (j) 46 per cent in respect of the 1981 taxation year; and
 - (k) 48 per cent in respect of the 1982 taxation year.
2. Section 6*a* of the said Act, as re-enacted by the Statutes of Ontario, 1976, chapter 12, section 2 and amended by 1977, chapter 6, section 3, is repealed and the following substituted therefor:

6*a*.—(1) Where the taxable income of an individual for a taxation year does not exceed the amount prescribed for the purpose of this subsection for a particular taxation year, no tax is payable under this Act by the individual for the taxation year.

(2) Where the taxable income of an individual for a taxation year exceeds the amount prescribed for the purpose of subsection 1 for a particular taxation year, but does not exceed the amount prescribed for the purpose of this subsection for that taxation year, the tax payable under this Act (after the deduction authorized by subsection 6 of section 3 and before any deduction authorized by subsection 2 or 4*a* of section 6*b*) may be reduced by an amount equal to one-half of the amount by which the amount prescribed for the purpose of this subsection exceeds the individual's taxable income for the taxation year.

s. 3 (3),
amendeds. 6*a*,
re-enactedNo tax
payableTax
reduction

Amount
prescribed
for 1981
taxation
year

(3) For the purpose of this section, the amount prescribed for the purpose of subsection 1 for the 1981 taxation year is \$1,874 and the amount prescribed for the purpose of subsection 2 for the 1981 taxation year is \$2,058.

s. 6b (1) (a),
re-enacted

3.—(1) Clause *a* of subsection 1 of section 6*b* of the said Act, as re-enacted by the Statutes of Ontario, 1980, chapter 25, section 2, is repealed and the following substituted therefor:

(a) “housing unit” includes,

(i) subject to subclauses ii and iii, any premises that an individual ordinarily occupies and inhabits as his residence in the taxation year,

but does not include,

(ii) premises that are part of a chronic care facility or other similar institution that is prescribed, or that are part of any charitable institution, home for special care, home for the aged, public nursing home or private nursing home, or

(iii) premises, except any students’ residence that is prescribed under subsection 3, during such time in a taxation year as,

A. such premises are exempt from the payment of taxes levied under *The Provincial Land Tax Act*, *The Local Roads Boards Act* or taxes for municipal and school purposes levied in respect of real property in Ontario that is assessed as residential or farm property, or

B. the owner does not pay a grant equal to the full amount of the taxes described in sub-subclause A that would, if such premises were not exempt, be payable or a grant equal to an amount prescribed by the Minister in respect of such premises or class of premises,

except when such excluded premises are occupied and inhabited by an individual of a class prescribed for the purpose of this clause.

R.S.O. 1970,
cc. 370, 256

s. 6b (1) (f),
amended

(2) Clause *f* of subsection 1 of the said section 6*b*, as re-enacted by the Statutes of Ontario, 1973, chapter 21, section 2 and amended by 1973, chapter 153, section 2, 1975, chapter 16, section 3 and 1980, chapter 25, section 2, is further amended,

- (a) by striking out that portion of the said clause immediately preceding subclause i and inserting in lieu thereof,

“principal taxpayer” means an individual who, on the 31st day of December in the taxation year, occupies and inhabits a principal residence except when that individual, on the 31st day of December in the taxation year, occupies and inhabits a principal residence with his spouse, in which case, “principal taxpayer” means that spouse who has the higher taxable income for the taxation year, but “principal taxpayer” does not include any individual who died at any time in the taxation year or who, on the 31st day of December in the taxation year was,

and;

- (b) by striking out “or” at the end of subclause v, by adding “or” at the end of subclause vi and by adding thereto the following subclause:

- (vii) an individual who has been lawfully admitted to Canada on a temporary basis for the specific purpose of attending any university, college or other educational institution.

- (3) Subsection 2 of the said section 6b, as re-enacted by the Statutes of Ontario, 1973, chapter 153, section 2 and amended by 1974, chapter 91, section 2, 1975, chapter 16, section 3, 1976, chapter 81, section 2 and 1980, chapter 25, section 2, is repealed and the following substituted therefor:

(2) Every individual resident in Ontario on the 31st day of December in the taxation year may deduct from the tax otherwise payable by him, under this Act the amount not in excess of \$500 by which the aggregate of the tax credits that are described in clauses a and b and to which he is entitled exceeds 2 per cent of his taxable income for the taxation year,

- (a) where the individual is a principal taxpayer, a tax credit equal to the sum of,

- (i) the lesser of his occupancy cost for the taxation year or \$180, and
- (ii) an amount equal to 10 per cent of his occupancy cost for the taxation year; and

(b) a tax credit of an amount equal to 1 per cent of the total of those deductions that are authorized by section 109 of the Federal Act and that have been claimed by the individual entitled to claim them in his return filed in accordance with the Federal Act, but the tax credit described in this clause may not be claimed by an individual,

(i) who died during the taxation year or who, on the 31st day of December in the taxation year, is an individual described in subclause i, iii, iv, v or vii of clause f of subsection 1,

(ii) with respect to whom any other taxpayer resident in Canada on the 31st day of December in the taxation year has, in computing his taxable income under the Federal Act, claimed in his return filed in accordance with that Act a deduction authorized by paragraph a, b, d, e, f or g of subsection 1 of section 109 of that Act for any portion of the taxation year, or

(iii) who, on the 31st day of December in the taxation year, is an individual entitled to receive in respect of the taxation year a grant under section 7 of *The Ontario Pensioners Property Tax Assistance Act, 1980*.

1980, c. 18

s. 6b (4),
repealed

(4) Subsection 4 of the said section 6b, as re-enacted by the Statutes of Ontario, 1972, chapter 146, section 2 and amended by 1974, chapter 91, section 2, is repealed.

s. 6b (9),
amended

(5) Subsection 9 of the said section 6b, as re-enacted by the Statutes of Ontario, 1980, chapter 25, section 2, is amended by striking out "last day of" in the third line and inserting in lieu thereof "31st day of December in".

s. 6b,
amended

(6) The said section 6b, as re-enacted by the Statutes of Ontario, 1972, chapter 146, section 2 and amended by 1973, chapter 21, section 2, 1973, chapter 153, section 2, 1974, chapter 91, section 2, 1975, chapter 16, section 3, 1976, chapter 12, section 3, 1976, chapter 81, section 2, 1978, chapter 11, section 2 and 1980, chapter 25, section 2, is further amended by adding thereto the following subsections:

Separation
in year

(9a) Notwithstanding clause d of subsection 1 or subclause vi of clause f of subsection 1, where, in any taxation year, an individual separates from a spouse who, on the 31st day of December in such taxation year, is an eligible person, as defined by *The Ontario Pensioners Property Tax Assistance Act, 1980*,

1980, c. 18

pursuant to a separation agreement as defined in that Act, such individual shall be deemed to be a principal taxpayer but his occupancy cost for such taxation year shall include only that occupancy cost that is attributable to the portion of the taxation year subsequent to such separation.

(9b) Notwithstanding subclause vi of clause *f* of subsection 1, ^{Marriage in year} where, in the taxation year, an individual marries a person who, on the 31st day of December in such taxation year, is an eligible person, as defined by *The Ontario Pensioners Property Tax Assistance Act, 1980*, such individual shall be deemed to be a principal taxpayer, but his occupancy cost for such taxation year shall include only that occupancy cost that is attributable to the portion of the taxation year prior to such marriage and that is not included in the occupancy cost of the spouse who is an eligible person.

4. Subsection 2 of section 20 of the said Act is amended by striking out "or" at the end of clause *b* and by adding thereto the following ^{s. 20 (2), amended} clauses:

(d) any deduction under subsection 2 or 4*a* of section 6*b*; or

(e) the application of any amount pursuant to subsection 5 of section 6*b*.

- 5.—(1) This Act, except sections 1, 2 and 3, comes into force on the day it receives Royal Assent. <sup>Commence-
ment</sup>

(2) Sections 1, 2 and 3 shall be deemed to have come into force on the 1st day of January, 1981. ^{Idem}

6. The short title of this Act is *The Income Tax Amendment Act, 1981*. ^{Short title}

BILL 77

An Act to amend The Income Tax Act

1st Reading

May 21st, 1981

2nd Reading

June 26th, 1981

3rd Reading

June 26th, 1981

THE HON. G. L. ASHE
Minister of Revenue

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

LEGISLATIVE ASSEMBLY

**An Act to amend The Ontario Pensioners Property
Tax Assistance Act, 1980**

THE HON. G. L. ASHE
Minister of Revenue



EXPLANATORY NOTES

GENERAL

The Bill implements the proposals contained in the Treasurer's Budget that, in the year of death, the estate of a deceased person will no longer be entitled to claim the full grant that the deceased would have been entitled to had he or she lived the full year. The amount of any interim grant that the deceased is paid during the year of his or her death, prior to making application for a property tax grant, must be deducted from the grant to be paid to his or her surviving spouse for that year.

Further amendments are made to provide that individuals who reside in properties exempt from provincial land tax, local roads boards tax or municipal tax will not be eligible for an Ontario property tax grant.

SECTION 1.—Subsection 1 The amendment redefines “housing unit” to provide that where no provincial land tax, local roads boards tax or municipal tax is payable or no grant instead of such tax is paid by the owner of the lands to the municipality in which the lands are situate, then the premises will no longer qualify as a “housing unit”.

The definition of “housing unit” now contained in the Act reads:

“housing unit” includes any premises that an individual ordinarily occupies and inhabits as his residence during the year, but does not include premises that are part of a chronic care facility or other similar institution that is prescribed or that are part of any charitable institution, home for special care, home for the aged, public nursing home or private nursing home.

BILL 78

1981

An Act to amend The Ontario Pensioners Property Tax Assistance Act, 1980

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

- 1.—(1) Clause *e* of section 1 of *The Ontario Pensioners Property Tax Assistance Act, 1980*, being chapter 18, is repealed and the following substituted therefor: s. 1 (e),
re-enacted

(e) “housing unit” includes,

- (i) subject to subclauses ii and iii, any premises that an individual ordinarily occupies and inhabits as his residence in the year,

but does not include,

- (ii) premises that are part of a chronic care facility or other similar institution that is prescribed, or that are part of any charitable institution, home for special care, home for the aged, public nursing home, or private nursing home, or
- (iii) premises, during such time in the year as,

- A. such premises are exempt from the payment of taxes levied under *The Provincial Land Tax Act*, *The Local Roads Boards Act* or taxes for municipal and school purposes levied in respect of real property in Ontario that is assessed as residential or farm property, or R.S.O. 1970,
cc. 370, 256
- B. the owner does not pay a grant equal to the full amount of the taxes described in sub-subclause A that would, if such

premises were not exempt, be payable or a grant equal to an amount prescribed by the Minister in respect of such premises or class of premises.

s. 1 (h) (ii) B,
re-enacted

- (2) Sub-subclause B of subclause ii of clause *h* of the said section 1 is repealed and the following substituted therefor:

B. rent paid or agreed to be paid in the year to which the application relates for occupation of a principal residence of the applicant where such rent is paid or agreed to be paid by or on behalf of the applicant or his spouse and is calculated to exclude all payments on account of meals or board and all payments of rent for occupation prior to the 1st day of January, 1980.

s. 3,
amended

2. Section 3 of the said Act is amended by adding thereto the following subsection:

Marriage
in year

(4) Notwithstanding subsection 1 or 3, where a husband and wife who are both eligible persons make an application for a grant as a family unit in respect of the year in which they marry, a further application for a grant may be made by one of the spouses in respect of his occupancy cost in that year prior to marriage and, provided that such occupancy cost is not included in the application made for that year by the family unit, the Minister may pay such grant under section 2.

s. 7,
amended

3. Section 7 of the said Act is amended by adding at the commencement thereof "Subject to section 8".

s. 8,
re-enacted

4. Section 8 of the said Act is repealed and the following substituted therefor:

Death
in year

8.—(1) An eligible person who dies is, with respect to the year of his death, entitled to,

(a) that portion of a grant paid to him under subsection 3 of section 2 without an application, by a cheque that is dated on, or prior to, the date of his death; and

(b) a grant paid under section 7 by a cheque that is dated on, or prior to, the date of his death,

and, if he is alive on the earlier of the dates shown on an application completed by him for a grant under section 2 or the date upon which such application is received by the Minister, he is entitled to the balance of the grant payable under section 2 in respect of the year in which he died.

Subsection 2. The amendment broadens the definition of "occupancy cost" to include rent which one has agreed to pay in a year.

SECTION 2. The amendment provides that in the year in which two eligible persons marry, one of the spouses may make a separate claim for a grant with respect to the occupancy cost he or she incurs prior to marriage.

The new provision parallels sections contained in *The Income Tax Act* with respect to claims made by spouses for an Ontario tax credit.

SECTION 3. The amendment is consequential on amendments made in section 4 of the Bill.

SECTION 4.—Subsection 1. The amendment provides that in the year of death of an eligible person, the deceased is entitled only to any interim grant which has been paid to him or her under the Act prior to the date of death. The deceased is entitled to the balance of such grant only if he or she is alive on the date of an application for the grant.

Subsection 2. The amendment provides that there must be deducted from the property tax grant payable to the surviving spouse of an eligible person who dies in any year, the amount paid by the Minister to the deceased member of the family unit for that year on account of the family unit's entitlement to a grant.

Subsection 3. The amendment provides that a person who ceases to reside in Ontario during a year will be entitled only to any interim grant which has been paid to him or her under the Act prior to the date upon which he or she left Ontario. Such a person will be entitled to the balance of the grant only if he or she is resident in Ontario on the date an application for the grant is received by the Minister.

SECTION 5.—Subsection 1. The amendment enables a person to file a notice of objection to a determination by the Minister that such person must repay a grant to which he or she was not entitled.

Subsection 2. The amendment is consequential on the amendment made in subsection 1.

(2) Where, in any year, as a result of subsection 1, an eligible person is entitled to only a portion of a grant under section 2, there shall be deducted from any grant to be paid to the surviving spouse of such eligible person for that year, the portion of the grant that such eligible person was paid. Surviving spouse

(3) An eligible person is, with respect to the year in which he ceases to be ordinarily resident in Ontario, entitled to, Ceasing to be ordinarily resident in Ontario

(a) that portion of a grant paid to him under subsection 3 of section 2 without an application, by a cheque that is dated on or prior to the date upon which he ceases to be ordinarily resident in Ontario; and

(b) a grant paid under section 7 by a cheque that is dated on, or prior to, the date upon which he ceases to be ordinarily resident in Ontario,

and, if he is ordinarily resident in Ontario on the date upon which his completed application for a grant under section 2 is received by the Minister, he is entitled to the balance of the grant payable under section 2 in respect of the year in which he ceases to be ordinarily resident in Ontario.

5.—(1) Section 9 of the said Act is amended by adding thereto the following subsection: s. 9, amended

(2a) Where the Minister has determined that a person is not entitled to a grant or any amount referred to in subsection 1 of section 14, he shall, when requesting repayment thereof, inform the person of the reason for his decision and of his right to object in accordance with this section. Reason for request for repayment

(2) Subsection 3 of the said section 9 is amended by striking out "an applicant" in the first line and inserting in lieu thereof "a person". s. 9 (3), amended

6. This Act shall be deemed to have come into force on the 20th day of May, 1981. Commencement

7. The short title of this Act is *The Ontario Pensioners Property Tax Assistance Amendment Act, 1981*. Short title

BILL 78

An Act to amend The Ontario Pensioners
Property Tax Assistance Act, 1980

1st Reading

May 21st, 1981

2nd Reading

3rd Reading

THE HON. G. L. ASHE
Minister of Revenue

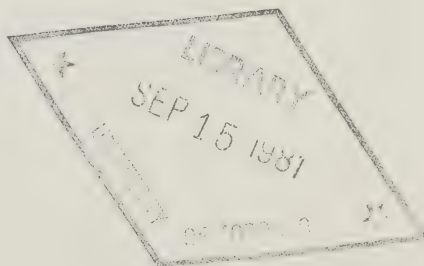
(Government Bill)

ON
56
BILL 78

1ST SESSION, 32ND LEGISLATURE, ONTARIO
30 ELIZABETH II, 1981

An Act to amend The Ontario Pensioners Property
Tax Assistance Act, 1980

THE HON. G. L. ASHE
Minister of Revenue



TORONTO

PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

BILL 78

1981

An Act to amend The Ontario Pensioners Property Tax Assistance Act, 1980

HER MAJESTY, by and with the advice and consent of the
Legislative Assembly of the Province of Ontario, enacts as
follows:

- 1.—(1) Clause *e* of section 1 of *The Ontario Pensioners Property Tax Assistance Act, 1980*, being chapter 18, is repealed and the following substituted therefor: s. 1 (*e*),
re-enacted

(*e*) “housing unit” includes,

- (i) subject to subclauses ii and iii, any premises that an individual ordinarily occupies and inhabits as his residence in the year,

but does not include,

- (ii) premises that are part of a chronic care facility or other similar institution that is prescribed, or that are part of any charitable institution, home for special care, home for the aged, public nursing home, or private nursing home, or
- (iii) premises, during such time in the year as,

- A. such premises are exempt from the payment of taxes levied under *The Provincial Land Tax Act*, *The Local Roads Boards Act* or taxes for municipal and school purposes levied in respect of real property in Ontario that is assessed as residential or farm property, or

R.S.O. 1970,
cc. 370, 256

- B. the owner does not pay a grant equal to the full amount of the taxes described in sub-subclause A that would, if such

premises were not exempt, be payable or a grant equal to an amount prescribed by the Minister in respect of such premises or class of premises.

s. 1 (*h*) (ii) B,
re-enacted

- (2) Sub-subclause B of subclause ii of clause *h* of the said section 1 is repealed and the following substituted therefor:

B. rent paid or agreed to be paid in the year to which the application relates for occupation of a principal residence of the applicant where such rent is paid or agreed to be paid by or on behalf of the applicant or his spouse and is calculated to exclude all payments on account of meals or board and all payments of rent for occupation prior to the 1st day of January, 1980.

s. 3,
amended

2. Section 3 of the said Act is amended by adding thereto the following subsection:

Marriage
in year

(4) Notwithstanding subsection 1 or 3, where a husband and wife who are both eligible persons make an application for a grant as a family unit in respect of the year in which they marry, a further application for a grant may be made by one of the spouses in respect of his occupancy cost in that year prior to marriage and, provided that such occupancy cost is not included in the application made for that year by the family unit, the Minister may pay such grant under section 2.

s. 7,
amended

3. Section 7 of the said Act is amended by adding at the commencement thereof "Subject to section 8".

s. 8,
re-enacted

4. Section 8 of the said Act is repealed and the following substituted therefor:

Death
in year

8.—(1) An eligible person who dies is, with respect to the year of his death, entitled to,

(a) that portion of a grant paid to him under subsection 3 of section 2 without an application, by a cheque that is dated on, or prior to, the date of his death; and

(b) a grant paid under section 7 by a cheque that is dated on, or prior to, the date of his death,

and, if he is alive on the earlier of the dates shown on an application completed by him for a grant under section 2 or the date upon which such application is received by the Minister, he is entitled to the balance of the grant payable under section 2 in respect of the year in which he died.

(2) Where, in any year, as a result of subsection 1, an eligible person is entitled to only a portion of a grant under section 2, there shall be deducted from any grant to be paid to the surviving spouse of such eligible person for that year, the portion of the grant that such eligible person was paid. Surviving spouse

(3) An eligible person is, with respect to the year in which he ceases to be ordinarily resident in Ontario, entitled to, Ceasing to be ordinarily resident in Ontario

(a) that portion of a grant paid to him under subsection 3 of section 2 without an application, by a cheque that is dated on or prior to the date upon which he ceases to be ordinarily resident in Ontario; and

(b) a grant paid under section 7 by a cheque that is dated on, or prior to, the date upon which he ceases to be ordinarily resident in Ontario,

and, if he is ordinarily resident in Ontario on the date upon which his completed application for a grant under section 2 is received by the Minister, he is entitled to the balance of the grant payable under section 2 in respect of the year in which he ceases to be ordinarily resident in Ontario.

5.—(1) Section 9 of the said Act is amended by adding thereto the following subsection: s. 9, amended

(2a) Where the Minister has determined that a person is not entitled to a grant or any amount referred to in subsection 1 of section 14, he shall, when requesting repayment thereof, inform the person of the reason for his decision and of his right to object in accordance with this section. Reason for request for repayment

(2) Subsection 3 of the said section 9 is amended by striking out “an applicant” in the first line and inserting in lieu thereof “a person”. s. 9 (3), amended

6. This Act shall be deemed to have come into force on the 20th day of May, 1981. Commencement

7. The short title of this Act is *The Ontario Pensioners Property Tax Assistance Amendment Act, 1981*. Short title

BILL 78

An Act to amend The Ontario Pensioners
Property Tax Assistance Act, 1980

1st Reading

May 21st, 1981

2nd Reading

June 25th, 1981

3rd Reading

June 26th, 1981

THE HON. G. L. ASHE
Minister of Revenue





3 1761 11470953 8